SOUTHEAST ASIA AFTER 9/11: REGIONAL TRENDS AND U.S. INTERESTS

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CONTENTS

Page

WITNESSES

Donald K. Emmerson, Ph.D., Senior Fellow, Asia/Pacific Research Center, Stanford University 5
Robert Hefner, Ph.D., Institute for Religion and World Affairs, Boston University 12
Angel M. Rabasa, Ph.D., Senior Policy Analyst, The RAND Corporation 18
Mike Jendrzejczyk, Washington Director, Asia Division, Human Rights Watch 26

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING

The Honorable James A. Leach, a Representative in Congress from the State of Iowa, and Chairman, Subcommittee on East Asia and the Pacific: Prepared statement 2
The Honorable Eni F.H. Faleomavaega, a Representative in Congress from American Samoa: Prepared statement 3
Donald K. Emmerson: Prepared statement 7
Robert Hefner: Prepared statement 16
Angel M. Rabasa: Prepared statement 22
Mike Jendrzejczyk: Prepared statement 30

APPENDIX

The Honorable Earl Blumenauer, a Representative in Congress from the State of Oregon: Prepared statement 55

SOUTHEAST ASIA AFTER 9/11: REGIONAL TRENDS AND U.S. INTERESTS

WEDNESDAY, DECEMBER 12, 2001

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON EAST ASIA AND THE PACIFIC,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 10 a.m. in Room 2200, Rayburn House Office Building, Hon. James A. Leach [Chairman of the Subcommittee] presiding.

Mr. LEACH. The Committee will come to order. And I would like to warmly welcome our distinguished panel, several of whom have flown from locations near and far. I understand this will be the first appearance by several of you, and we look forward to your insights.

We also welcome Mr. Jendrzejczyk, who has been here on a number of occasions. We are very appreciative for you returning.

Last month the Subcommittee reviewed the impact of the war on terrorism and other key developments in Northeast Asia. Today's hearing will review developments in Southeast Asia after the events of September 11. The United States has a number of important interests in the region. While the region may lack the intrinsic strategic significance of Northeast Asia in some regards, the U.S. nevertheless has a wide range of economic, political and security interests in the southern part of Asia. And there is a broad consensus that it is in America's long-term interest to promote a community of prosperous Southeast Asian nations that is growing economically, open to free trade investment, politically stable as well as accountable to the peace of the people and hopefully in a circumstance of peace.

In this regard, we are awfully appreciative of the support of the ASEAN with regard to the issue of terrorism and the issues of Afghanistan and al-Qaeda. And I would just like to stress as Chairman of the Subcommittee, and I am sure with the complete support of my dear colleague and Ranking Member, that the United States has no beef against Islam or Islamic nations, but only against those who would employ terrorism and who would use religion as an instrument of hate.

In any regard, we look forward to all of your testimony. And at this point, let me ask, Mr. Faleomavaega, if you have any opening comments.

[The prepared statement of Mr. Leach follows:]

PREPARED STATEMENT OF THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON EAST ASIA AND THE PACIFIC

I would like to warmly welcome our distinguished panel of witnesses, several of whom have flown in from locations near and far to be with us today. I understand that this will be the first appearance by several of our witnesses before the Subcommittee, and we look forward to their insights. We also welcome back Mr. Jendrzejczyk, who is well-known to Members of this Subcommittee and whose expertise we have all come to rely upon. I should also explain that our planned use of the main hearing has been preempted by preparations for the Committee's annual Christmas party, necessitating our move to this somewhat more cozy venue.

Last month the Subcommittee reviewed the impact of the war on terrorism and other key developments on the dynamic Northeast Asian region. Today's hearing will review developments in Southeast Asia after the events of September 11, as well as assess important regional trends and their potential impact on U.S. national interests.

The U.S. has a number of important interests in Southeast Asia, the area comprising Burma (Myanmar), Thailand, Indochina (Cambodia, Laos, and Vietnam) and the insular republics of Malaysia, Singapore, Brunei, the Philippines, and Indonesia. While the region may lack the intrinsic strategic significance of Northeast Asia, the U.S. nevertheless has a wide range of economic, political and security interests in the area that demand the attention of policymakers. There is a broad consensus that it is in America's long-term interests to promote a community of prosperous Southeast Asian nations that is growing economically and open to free trade and investment, politically stable as well as accountable to the people, at peace within the region and able to effectively contribute to regional security, and committed to the cooperative solution of global problems—most prominently, eradicating international terrorism.

In this regard, America is deeply appreciative for the forthcoming position taken by the Association of Southeast Asian Nations (ASEAN) against terrorism, and for the offer by several ASEAN countries to assist in peacekeeping and reconstruction in Afghanistan. It cannot be stressed too strongly that the current military operation in Afghanistan is aimed against terrorism and not Islam, and that its main targets are the Al-Qaeda terrorist network and its Taliban supporters. We respect Islam and Islamic nations. The only brief we hold is against parties that manipulate hatred and employ tactics of terror.

In any regard, we look forward to your perspectives on priority American concerns in Southeast Asia, such as ensuring that the region does not become sanctuary for terrorist networks, the fate of Indonesia's democratic transition, the cohesiveness of ASEAN, prospects for cooperative approaches to transnational challenges like piracy and human trafficking, and advancing peace and prosperity through open markets, democratic governance, and respect for human rights.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I thank you for calling this hearing this morning. Also I would like to welcome our witnesses, who shall share their experience and expertise concerning this important region in the world.

Since the September 11 terrorist attack on the United States, the campaign to eradicate international terrorism in Afghanistan has made remarkable and rapid progress. Some have thus advocated that our Nation should expand and enlarge its counterterroism focus to encompass other countries and regions in the world. In November our Committee examined Northeast Asia and the post-9/11 developments in U.S. relations with China, Japan, Korea and Russia. Today we are examining the developments in another vital region in the world, and that is Southeast Asia, whose nations impact the strategic and economic interests of our country. I do want to thank our friends for being here this morning.

Mr. Chairman, in an interview last month with the Far Eastern Economic Review, our U.S. Deputy Secretary of Defense Paul Wolfowitz was specifically asked whether Southeast Asia would become a focus of the campaign against terrorists. Secretary Wolfowitz responded, and I quote,

"Going after al-Qaeda in Indonesia is not something that should wait until after al-Qaeda has been uprooted from Afghanistan. I do think that getting them in Afghanistan will make it much harder for them to operate elsewhere and easier to pursue elsewhere. It is difficult because these guys have figured out that Southeast Asia, even before democracy took hold, was an easier place to operate for them than the pretty repressive regimes in the Middle East."

Mr. Chairman, Secretary Wolfowitz's comments are understandable given that well over 200 million Muslims reside in Southeast Asia. Indonesia alone, the world's largest Islamic nation, has approximately 190 million followers of Islam. Malaysia and Brunei also have Muslim majorities, while Thailand, Singapore and the Philippines have significant Islamic populations.

I might also note that in Indonesia, our country has well over $20 billion in investments and also has the largest gold mining operation operated by American and Australian mining companies. Also we have a tremendous presence there as far as the oil industry is concerned, with Exxon and Mobil in Aceh.

It is extremely important to note that the vast majority of Southeast Asian Muslims are moderate, which shields the region from extremism. However, I am concerned by the number of militant Islamic fundamentalist groups that exist in Southeast Asia, such as the Laskar Jihad in Indonesia and Abu Sayyaf in the Philippines, both of which allegedly have ties to Osama bin Laden and the al-Qaeda network. This has led some analysts to project that Southeast Asia constitutes another front in the war against terrorism.

I am also concerned with the state-sanctioned forms of terrorism in Southeast Asia. Recently the case of Indonesia was examined by the United Nations Committee Against Torture, which met in November of this year in Geneva. The U.N. Committee Against Torture reported Indonesia was awash with charges of torture and severe mistreatment of its civilians by the police, the army, and paramilitary groups linked to the authorities. According to the U.N. Committee, a climate of impunity regarding torture exists in Indonesia. In the year 2001 alone, this state-sanctioned terrorism has resulted in thousands of civilian deaths and disappearances in Aceh, West Papua and the Moluccas.

Mr. Chairman, as we review the implication of international terrorism in Southeast Asia, it is also important that we not neglect the human rights abuses and atrocities that are being committed daily by governments in that region. I look forward to hearing from our witnesses this morning. And again, thank you for allowing me to say a few words.

Mr. LEACH. Thank you very much.

[The prepared statement of Mr. Faleomavaega follows:]

PREPARED STATEMENT OF THE HONORABLE ENI F.H. FALEOMAVAEGA, A REPRESENTATIVE IN CONGRESS FROM AMERICAN SAMOA

Thank you, Mr. Chairman:

Since the September 11th terrorist attacks on the United States, the campaign to eradicate international terrorism in Afghanistan has made remarkable and rapid progress. Some have thus advocated that our nation should expand and enlarge its counter-terrorism focus to encompass other countries and regions of the world.

In November, our committee examined Northeast Asia and post-9/11 developments in U.S. relations with China, Japan, Korea and Russia. Today, we examine developments in another vital region of the world, Southeast Asia, whose nations impact the strategic and economic interests of the United States. I commend you, Mr. Chairman, for calling this important and timely hearing, and I join you in extending a warm welcome to our panel of distinguished witnesses.

Mr. Chairman, in an interview last month with the Far Eastern Economic Review, the U.S. Deputy Secretary of Defense Paul Wolfowitz was specifically asked whether Southeast Asia would become a focus of the campaign against terrorists.

Secretary Wolfowitz responded, and I quote, "Going after Al Qaeda in Indonesia is not something that should wait until after Al Qaeda has been uprooted from Afghanistan. I do think that getting them in Afghanistan will make it much harder for them to operate elsewhere and easier to pursue elsewhere. It's difficult, because these guys have figured out that Southeast Asia, even before democracy took hold, was an easier place to operate for them than the pretty repressive regimes in the Middle East."

Mr. Chairman, Secretary Wolfowitz's comments are understandable, given that well over 200 million Muslims reside in Southeast Asia, with Indonesia alone, the world's largest Islamic nation, having approximately 190 million followers of Islam. Malaysia and Brunei also have Muslim majorities, while Thailand, Singapore and the Philippines have significant Islamic populations.

It is extremely important to note, however, that the vast, vast majority of Southeast Asia's Muslims are moderate, which shields the region from extremism.

Nonetheless, I am troubled by the number of militant Islamic fundamentalist groups that exist in Southeast Asia—such as Laskar Jihad in Indonesia and Abu Sayyaf in the Philippines, both of which allegedly have ties to Osama bin Laden and the Al Qaeda network. This has led some analysts to project that Southeast Asia constitutes another front in the war against terrorism.

Mr. Chairman, I am also concerned with state-sanctioned forms of terrorism in Southeast Asia. Recently, the case of Indonesia was examined by the United Nations Committee against Torture, which met in Geneva on November 16–23, 2001.

The U.N. Committee against Torture reported that Indonesia was awash with charges of torture and severe mistreatment of its civilians by the police, army and paramilitary groups linked to the authorities. According to the U.N. committee, a climate of impunity regarding torture exists in Indonesia. In the year 2001 alone, this state-sanctioned terrorism has resulted in thousands of civilian deaths and disappearances in Aceh, West Papua and the Moluccas.

Mr. Chairman, as we review the implications of international terrorism on Southeast Asia, it is also important that we not neglect the human rights abuses and atrocities that are being committed daily by governments in the region.

Thank you, Mr. Chairman, for the opportunity to make these brief comments and I look forward to the testimony of our witnesses.

Mr. LEACH. Let me just briefly introduce the witnesses. Dr. Donald Emmerson is a Professor and Senior Fellow at Stanford. He is a graduate of Yale and Princeton.

Dr. Robert Hefner is Research Fellow at the Institute for Religion and World Affairs at Boston University.

Dr. Angel Rabasa is a Senior Policy Analyst at RAND Corporation and the co-author of *Indonesia's Transformation and the Stability of Southeast Asia*. And I thank you for these two publications. You have been busy. We appreciate that.

And Mr. Mike Jendrzejczyk, who is the Washington Director for Human Rights Watch Asia and a frequent contributor to the editorial pages of a number of publications. You are very welcome.

We just did have a vote put on, and so what I would like to do is begin, Dr. Emmerson, with your testimony, and at the end we may recess for the vote.

Dr. Emmerson, please.

STATEMENT OF DONALD K. EMMERSON, Ph.D., SENIOR FELLOW, ASIA/PACIFIC RESEARCH CENTER, STANFORD UNIVERSITY

Mr. EMMERSON. Thank you very much. It is a pleasure to be here. I would like to begin, with your permission, in a somewhat contrarian mode. I think it is helpful, maybe because I come from the edge of the continent, from California, to remind Americans inside the Beltway that the way we see the world here and the concerns that consume us, specifically the concerns that date from the 11th of September, do not necessarily animate the entire human race. The first point to be made with regard to Southeast Asia, I believe, is not how much has changed, but how little. The 12th of September in Southeast Asia was pretty much like the 10th of September had been.

There was one very important thing that had changed, and that was thinking here in this country and the priorities of this country. So if you look at the sequence of events that began on the 11th of September not from the standpoint of American policymakers or Members of Congress, but rather from the standpoint of people in Southeast Asia, it looks very different. First of all, it looks like a Rorschach into which various groups, versus interests, various governments can read their own agendas. It is an opportunity in the post-Cold War period, when no one else can claim superpower status, to attract the attention of the Americans by somehow linking one's own domestic concerns in Thailand, the Philippines, Indonesia or Malaysia to what appear to be these overriding priorities coming from Washington.

There is a fascinating parallel between the moment we are living in now and the beginning of the Cold War. Indeed, some have said this is a second Cold War; that terrorism has replaced communism as the primary preoccupation of American foreign policy for months, years, maybe decades to come. We remember during the first Cold War how the "Free World," to dust off that phrase, if I may, included some folks, like Salazar in Portugal or Suharto in Indonesia, who were not exactly paragons of freedom.

The issue for American foreign policy is quite similar today; that is, to what extent are we going to sacrifice or focus on democracy, on freedom, on individual liberties for the sake of security? It is an issue that we face domestically in the United States in the debate over whether we should have military tribunals, and it is an issue that we face in our foreign policy as we look to Indonesia, for example, and try to decide to what extent we are going to back-burner concerns about accountability for human rights violations for the sake of enlisting the Indonesian Government in a global campaign against terror.

I thought I would share with you, to illustrate this point, an intriguing proposal that comes from an Indonesian colleague of mine. I was hooked up the night before last through a video conference arrangement to a number of Indonesians in Jakarta. Here is Rizal Mallarangeng, who has written speeches for President Megawati, expressing his personal view, although he says he has tried to convince people in the government of its utility. He says,

"We should ask the U.S. for some kind of Marshall Plan. After all, this is precisely the right time. [Notice the Marshall Plan also takes us right to the beginning of the Cold War.]

"Putting it another way, we should do what South Korea and Taiwan both did. Because of their strategic position during the Cold War, they both received lots of help, not only military assistance, but also economic help. If the U.S. really thinks that Indonesia is going to play an important role, then let us make it clear that we demand a quid pro quo. This is international politics after all, and it is in our national interest to be a friend of the West. We have millions of people who are living in poverty, and we have an economic crisis. So why don't we ask for help in return for our loyalty and our partnership?"

Now, I don't wish to suggest that this particular view is uniform across Southeast Asia. There are others, and Malaysians in particular, in conversations with me recently, who have expressed a very different perspective. They are worried that whether you are with us or against us Americans in the war against terrorism is going to become a monomaniacal litmus test; that all else will be shoved aside as Americans pursue this single-minded policy.

Let me just make a couple of comments that stem from this effort to reorient the way we look at world history since the 11th of September. If we are going to widen the focus of military operations as has been suggested, whether it is Iraq or Somalia, one hopes not Indonesia, it seems to me we also should widen some other foci; for example, the focus on the punitive aspect alone as opposed to the explanatory economic, political and social contexts that help us to understand. Forgive me, I am an academic. This is my occupational self-interest: to understand the circumstances in which terror can occur. Here, it seems to me, we are grossly lagging, and until we close that gap, that gap of knowledge, it seems to me we will continue to lose the war of public opinion, or at least to risk losing that war in Muslim populations around the world, including Southeast Asia.

We should also want to widen the focus, it seems to me, to understand the diversity of responses to the 11th of September—I have illustrated that already—and we want to make sure that we do not implicitly assume that terror can only occur against the state, that there is no such thing as state terrorism. Mr. Faleomavaega illustrated this in the comments he made in the beginning. State terrorism is a serious problem in a number of parts of the world.

Am I convinced that Southeast Asia is about to or should become the next front in the war on terror? No. My colleagues may have different views. I am not persuaded, despite historical evidence of contacts between Abu Sayyaf, for example, in the southern Philippines and al-Qaeda, I am not persuaded that the present circumstance is transnationally part of some kind of global network in which Southeast Asia is a major focus and, therefore, requires a major military response on the part of the United States. If we go through the groups that are both self-advertised as assertively Islamic and at the same time engaged in violence, typically the explanation is local, not transnational. This is not an effort to recreate the Caliphate, the Ottoman Empire. This is not the implemen-

tation of the strange rhetoric of Osama bin Laden. There are local reasons for these events that I won't go into because I daresay my colleagues will be addressing that subject.

Let me just end on this note. I think we have a range of opportunities in Southeast Asia not to be a prisoner of our preoccupations, but to use the current circumstance as an opportunity on our part to engage Southeast Asians with regard to their own problems and their own concerns in addition to ours.

One very specific point. If there is going to be a blue helmet force in Kabul, it is entirely possible that there will be Malaysian and Indonesian members of that force. This is a direct gesture on the part of these countries that clearly will be appreciated by the United States, which obviously does not wish to look as if it is engaged in a war against Muslim countries. And although Rizal's suggestion may sound a bit crass to American ears, it is entirely reasonable to anticipate that relations between the United States and Indonesia would accordingly become more cordial. My only caution is that at a time when security is so prominent, we should not abandon our own interest as Americans, given our own history, background and culture, in democracy and human rights.

Mr. LEACH. Thank you very much, Dr. Emmerson.

[The prepared statement of Mr. Emmerson follows:]

PREPARED STATEMENT OF DONALD K. EMMERSON, PH.D., SENIOR FELLOW, ASIA/PACIFIC RESEARCH CENTER, STANFORD UNIVERSITY

The timing of this hearing is doubly symbolic. It is being held only a day after the three-month anniversary of the most deadly attack ever committed by foreigners on American soil. But it is also taking place merely two days after the observation of World Human Rights Day. The coincidence frames the question that I would like to make the centerpiece of these brief remarks:

> What balance should be struck between security (e.g., destroying terrorist groups) and *democracy* (e.g., defending human rights) as America policy priorities in Southeast Asia?

There is, of course, more to U.S. foreign policy than security and democracy. Other aims include economic prosperity and environmental sustainability-Southeast Asia's and ours. Nor are democracy and human rights the same.[1] Nevertheless, in the wake of 11 September, the issue must be faced, not only as we debate how much of our own freedom we are willing to sacrifice for our own security, but also as Congress and the administration decide whether, and how much, seeking the cooperation of a foreign government in efforts to eradicate international terror should take priority over criticizing it for violating, or failing to protect, the rights of its own people.

This choice affects—bedevils?—American relations with Egypt, Saudi Arabia, Iran, Pakistan, Russia, China, Indonesia, and Malaysia, among other countries. Just as in the "Free World" during Cold War I the United States embraced anti-communist despots from Salazar to Suharto, so in Cold War II, if that's what we're now in, one can imagine a similarly pragmatic, anti-terrorist compatibility between "Enduring Freedom" and injuring freedom.[2]

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[1] If majority rule is essential to democracy, then defending human rights against abrogation by anyone, including a majority, is necessarily anti-democratic. That is one reason why, in the United States, the National Endowment for Democracy and the American Civil Liberties Union have such different agendas. In Thailand, human rights activists are well aware that their new prime minister's electoral majority has not guaranteed his commitment to protecting civil liberties. If anything, the size of that democratic mandate has had the opposite effect: emboldening the new leader to act more like the CEO of a large corporation than the guardian of citizen rights. I allude to this problem further below.

[2] Whether or not 2001 does turn out to have inaugurated Cold War II—a prolonged global struggle against terror—will depend in large measure on (a) the occurrence, nature, and scale of further attacks on Americans or their allies, e.g., over the Christmas holidays; (b) the credibility of evidence that further attacks are being planned; and (c) American actions to widen the

Continued

I mention specific countries because an effective (as opposed to consistent) balance of priorities between security and democracy can only be worked out case by case. The centrality of a given state to the campaign against Al Qaeda and other anti-American terrorist networks that have "global reach" will greatly and necessarily affect our willingness to play down or even suspend official criticism of that state's record on free elections and civil rights. So will the extent and indispensability of what that state does to help in this effort. In these respects, it is no coincidence that Pakistan should have enjoyed the most rapid and far-reaching turnaround in its relations with the United States of any country in the world since 11 September, notwithstanding the undemocratic character of the Islamabad regime.

If centrality and indispensability were matters of geography alone—proximity to Afghanistan—this this hearing would not be underway. Southeast Asia would be considered too peripheral to the epicenter of the storm. The threat from Al Qaeda is, however, global in two senses: its proven ability to attack Americans in the United States; and its invocation of Islam, the religion of an estimated 1.3 billion people in 184 countries.[3]

Also, states anywhere in the world can now take advantage of what America's new preoccupation with fighting terrorists has created for them: an opportunity to offer their support in hopes of gaining leverage and earning rewards. The Bush administration's explicit refusal to preclude expanding its campaign beyond Al Qaeda is a further incentive to governments, regardless of their location, to seek the benefits of such alignment. Meanwhile, and comparably, military successes against the Taliban in Afghanistan to date have projected the image of a bandwagon increasingly worth boarding.

Not every state is equally free to sign up for this effort, however. Inside Indonesia, Muslims and Christians account for an estimated 88 and 8 percent of the population, respectively, compared with an estimated 5 and 92 percent in the neighboring Philippines.[4] Especially now that Indonesians have begun to democratize their political system, the government of President Megawati Sukarnoputri cannot afford to ignore the views of domestic leaders and groups who identify with Islam. Just north of Indonesia, in her own far more institutionalized democracy, Philippine President Gloria Macapagal-Arroyo is also constrained, but vastly less than Megawati with regard to political Islam.

President Arroyo visited the U.S. in the latter part of November, well after the assault against the Taliban and Al Qaeda had begun. In their joint statement, she and President Bush "reaffirmed that U.S.-Philippine relations are based on shared history, common values, [and] a commitment freedom and democracy," and "declared that the American and Filipino people stand together in the global campaign against terrorism."[5] President Bush "conveyed his deep appreciation" for his counterpart's "leadership in the fight against terror, both *within the southern Philippines* and against international terrorist networks." The two leaders singled out the Abu Sayyaf Group, noting its holding of American and Filipino hostages, as evidence of the need to maintain "a robust defense partnership into the 21st century"—a partnership whose 50th anniversary they also celebrated.[6]

Indonesian President Megawati also traveled to the U.S., but her timing was more delicate. She arrived a mere week after the attacks. Jakarta had considered postponing the trip, partly from sensitivity to American grief and preoccupation, but also because of hesitancy in some Muslim quarters inside Indonesia. In the end, the American side decided it wanted to proceed, knowing the public relations value of early and visible support by the ruler of the world's largest Muslim population, and the Indonesians agreed.

Megawati's visit went well. In Washington, she "condemned the [hijackers'] barbaric and indiscriminate acts against innocent civilians"; "pledged solidarity with the United States in this hour of grief"; and promised "to cooperate with the inter-

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present campaign beyond Al Qaeda to include, e.g., the overthrow of Saddam Hussein. If the incidence or evidence of additional attacks are likely to increase international support for an American-led campaign against terror, however, widening the war to include Iraq could have the reverse effect, especially in Muslim-majority countries such as Indonesia and Malaysia. As for the analogy with Cold War I, unlike the Sino-Soviet focus of that conflict, Al Qaeda is not a state and is not now, to my knowledge, backed by any state.

[3] *The New York Times 2002 Almanac*, p. 487.

[4] *Almanac*, pp. 584 and 640. More Muslims live in Indonesia than in any other country.

[5] "Joint Statement between George W. Bush and Gloria Macapagal-Arroyo on the 50th Anniversary of the U.S.-Philippine Alliance" ["JS50"], Office of the [White House] Press Secretary [OPS], 20 November 2001.

[6] "Join Statement between the United States of America and the Republic of the Philippines," OPS, [White House], 20 November 2001 ["conveyed . . . networks"]; "JS50" ["a robust . . . century"]. The italics are mine.

national community in combatting terrorism."[7] Back in Jakarta, however, these expressions of rapport were undercut by her own vice-president, who leads Indonesia's main Muslim party, when he was quoted as portraying the 11 September attacks as a response to American "sins." And when she herself returned home she felt obliged to reaccent her own views for domestic (Muslim) consumption: to dissent from the American willingness to use of force and to regret the civilian casualties that, however unintentionally, resulted from it.

President Suharto would have lacked such qualms. In the heyday of his authoritarian New Order, when political Islam was something to be repressed not propitiated. In this sense, he would have been a more "reliable" partner of a security-focused American foreign policy toward Indonesia.

But "reliable" needs quote marks for a reason. The reason has to do with the domestic legitimacy of foreign commitment. Immediately helpful though an autocrat's cooperation on security may be, it is not derived from an underlying and ongoing sequence of public choice, political mandate, and legal accountability.

In tangible terms—access granted, funds provided or blocked, information obtained and shared—democracy-based cooperation is not intrinsically superior to cooperation that has been decided by fiat alone. But just as the appeal of Al Qaeda's jihad is rooted in conditions, issues, and resentments up and down the "Muslim street"—in the diverse settings in which Muslims diversely believe and behave—so must long-term success in uprooting such terror take those conditions, issues, and resentments into account.

Populist demagoguery aside, despotic states do not take their streets into account, except to quell them when they erupt. Opposition may be coopted through economic growth, or reduced by steps to resolve social conflicts or attenuate social ills. In the absence of such mitigating factors, however, an anti-terrorist state that denies outlets for the peaceful expression of dissent tends to stoke with domestic repression the very phenomenon that its international cooperation would overcome.

Time and again since 11 September, in conversation with moderate Indonesian and Malaysian Muslims, I have heard versions of the same request to the United States: Do not let your interest in encouraging political and economic reform fall victim to your interest in defeating international terrorism.

Nor is this opinion limited to Muslim Southeast Asians. A Thai colleague, for example, recently expressed concern

> that the US emphasis on the terrorist and the security questions, as a result of post 9/11, will mean that the US will neglect to support the efforts of political reform in Thailand and other countries in the region. There is also a concern that the military in these countries will be pampered at the expense of the civilian budget.[8]

The remark seems especially germane on the eve of the visit to Washington of another Southeast Asian head of government, Thai Prime Minister Thaksin Shinawatra. Thailand is a parliamentary democracy. Last January Thai voters delivered an unprecedented majority to the new government. Arguably in part because he feels insulated by such support, Prime Minister Thaksin has allowed the pace of reform to slow. He has been accused of trying to curb dissent as well.

The United States should not hector foreign governments, or appear to be trying to micromanage their domestic politics. Thai politicians in particular are likely to bridle at such attempts. Nor does democracy come in a one-size-fits-all format. Yet corruption in Southeast Asia, including Thailand, is necessarily a transnational concern if host governments wish to attract foreign investment. There is no reason why American policies toward Southeast Asian states cannot incorporate both resistance to terror and support for reform.

The balance between these two priorities will be driven in part, of course, by the absence or presence of evidence that local elements are linked to transnational terrorists. Before rushing to conclusions about the prospect of Southeast Asia becoming a "second front" for the war on terror, it may be helpful to distinguish three very different possible kinds of linkage: *biographical, attitudinal*, and *organizational*.

Given the variety of nationalities represented among the mujahidin who were recruited with American support to resist the Soviet occupation of Afghanistan, and the decade-long duration of that conflict (1979–1989), it is not surprising that Mus-

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[7] "Joint Statement between the United States of American and the Republic of Indonesia" ["JSUSARI"], OPS, 19 September 2001 ["condemned . . . civilians"]; "JSUSARI on Terrorism and Religious Tolerance," OPS, same day ["pledged . . . grief"]; "JSUSARI" ["to cooperate . . . terrorism."]

[8] Email message, 10 December 2001.

lims in Southeast Asia should include individuals with Afghan experience. But present activity cannot simply be inferred from past experience.

Nor does the existence of sympathy for Osama bin Laden among some Muslims in Southeast Asia necessarily imply willingness to imitate him by attacking Americans there. In Indonesia, despite isolated instances of Muslim hotheads threatening to "sweep" Americans out of local hotels, none to my knowledge was ever actually found and evicted. Similarly, so far as I know, the shouts of demonstrators outside the American Embassy in Jakarta were not matched by acts of physical violence against American citizens. Instead, in time, the demonstrators themselves were curbed or faded away—to the point that the State Department felt confident enough of local security to rescind, effective on 25 November 2001, its earlier willingness to let nonessential U.S. Embassy personnel and their families leave Indonesia.

Americans who will never forget the horror of 11 September may find it hard to understand that in a number of Muslim societies, including Indonesia, one can purchase t-shirts imprinted with pictures of Osama bin Laden. But buying and wearing one hardly turns one into a suicide bomber, any more than wearing blue jeans and drinking Coca Cola makes one a democrat, or than covering her hair should be taken as a sign that a Muslim woman hates America. As for the seller's motivation, an Indonesian friend of mine recently walked up to one and asked him why, alongside the bin Laden shirts on display, there were none with the face of George W. Bush. "Hey," the vendor immediately replied, "just give me his picture, and I'll make the shirt!"

Another matter entirely are organizational connections to the Al Qaeda network. And here the evidence as I understand it, while not entirely absent, is not compelling. In the Philippines, for example, the record of contacts and cooperation between Islamist terrorism and what we now call Al Qaeda appears to have been more substantial a decade or so ago than it was in the period just prior to 11 September.

We should be careful not to assume Islamist—religious—intent whenever a group of young men in Southeast Asia is reported to have commited violence while shouting "Allahu Akbar!" The Sulu archipelago in the southwestern extremity of the Philippine archipelago has for centuries been a frontier zone of endemic lawlessness—its seas and coves plied by pirates and smugglers more interested in turning a profit than entering paradise, notwithstanding the also long-standing proximity and grievances of the Philippines' Muslim minority on Mindanao.

As for the Islamic Defenders Front, a tiny group of bullies in Indonesia known for intimidating the owners of karaoke bars and other "sinful" establishments, they cannot be understood except in relation to corruption in the police. By muscling in on the owners of such enterprises, the Front made its victims want to pay the police for protection. From this revenue, the police were in turn glad to channel a portion to the Front to continue the intimidation. And so the racket went—thugs and cops cooperating to make and exploit a market based on fear. In this context, the adjective "Islamic" in the Front's name reflected public relations more than it projected piety.

The Laskar Jihad is different. Its mission was, and still is, to defend Muslims against Christians, originally in Maluku and more recently in Sulawesi as well. But its proven ability to raise the death toll in both places is not, so far as I know, consequentially connected to Al Qaeda. Rather it must be located, first, in the woeful record of communal violence inside Indonesia since Suharto's fall; second, in the circulation of horrific rumors and images of anti-Muslim violence through the no longer fettered media; third, in the weakness of the post-Suharto state in the face of challenges by nonstate actors; and fourth (and by no means least), the patronage of certain Muslim military officers whose influence can be traced back to Suharto's own willingness, in the latter years of his presidency, to authorize and even sponsor certain Muslim leaders and organizations and their sometimes assertively Islamic discourse.

Meanwhile, at the extreme western end of the Indonesian archipelago, the secessionist Aceh Freedom Movement (GAM), although it operates in a society that takes pride in its Islamic identity and history, has not entertained a radical vision of Islam of the sort that we have come to associate with the Taliban. GAM's purpose is to obtain independence for the Acehnese nation, not to pursue bin Laden's project of creating a new global caliphate, i.e., a transnational Muslim nation to replace the once-great Ottoman empire.

Finally, in Malaysia, the All-Malaysia Islamic Party continues to operate within a parliamentary-democratic frame, contesting elections rather than fomenting insurrection. Nor can one be sure that Prime Minister Mahathir Mohamad's crackdown against his Muslim opponents reflects their potential for violence more than his appetite for control.

Seen, then, in their unique and differing local contexts, one must seriously doubt if not dismiss Al Qaeda as a reason for the existence and activities of these various groups. Nor have I found convincing evidence that they are capable of, or even interested in, acquiring "global reach" in the sense of threatening the United States, despite the continued captivity of two American missionaries at the hands of Abu Sayyaf.

On both of these counts, therefore, I see no present reason to open a second, Southeast Asian front in the war on terror. Nor should the presence of a few American advisers in the Philippines be construed as the first step in such a direction, at least not without a significant escalation in the scope of terrorist activity there.

If Southeast Asia is not about to erupt in anti-American jihad, however, there are serious concerns worth keeping in mind:

First, we should be sensitive to the possible incremental drifting of Indonesian and Malaysian opinion toward greater sympathy with Islamist positions. These societies and their histories differ markedly from our own identity and experience here in America. It is vital in this context that American public diplomacy be reinvigorated and reoriented toward the future. Three months since the event, it is no longer enough to remind foreigners of how heinous it was, as if that evil were in and of itself monstrous enough to justify a possibly endless Cold War II against terror wherever it might rear its ugly head.

Second, we must realize that what happened on 11 September did not, in fact, change everything everywhere. Certainly it led to dramatic changes in American attitudes and policies. But for Southeast Asians, the world on 12 September was pretty much as it had been two days before, or two months before. What had changed for them was not their own, local reality, but the position and priorities of the United States.

Third, we should be aware of the ways in which Southeast Asians have reacted to our new focus on fighting terrorism. Among these reactions, two have been particularly common in my recent conversations and correspondence with Indonesian and Malaysian colleagues and politicians. In these differing responses, one can see the shift in American thinking construed alternatively as an *opportunity* or as a *distortion*.

An Indonesian analyst, Rizal Mallarangeng, who has written speeches for Megawati, makes the case for taking advantage of the opportunity created by America's new preoccupation:

> My personal view—and I have tried to convince some colleagues in the government of this—is that we should ask the US for some kind of Marshall Plan. After all, this is precisely the right time. Putting it another way, we should do what South Korea and Taiwan both did; because of their strategic position during the Cold War, they both received lots of help, not only military assistance but also economic help. If the US really thinks that Indonesia is going to play an important role because of our strategic, social and cultural importance, then let's make it clear that we demand a *quid pro quo*. This is international politics after all, and it's in our national interest is to be a friend of the West. We have millions of people who are living in poverty and we have an economic crisis. So, why don't we ask for help in return for our loyalty and our partnership?[9]

To American eyes, Rizal's suggestion may appear somewhat blatant or unrealistic, but it is entirely understandable. If this is going to be Cold War II for us, we can hardly expect other countries not to respond in this way. Pakistan has set the example, and it has already been followed by the packages of help extended to Presidents Megawati and Arroyo on their recent visits.

With regard to Indonesia, of course, we have our own *quid pro quo* when it comes to military assistance. It would, in my judgment, be unwise if our long-standing desire (shared by many Indonesians) for progress on human rights in Indonesia, including the priority on making the Indonesian military legally accountable for past abuses, were sacrificed to our new desire for cooperation in the war against terror.

In private email conversation, an influential analyst in Malaysia who is in many respects sympathetic to American aims has interpreted 11 September very differently, by worrying that it will become a distorting "litmus" test for countries around the world—distorting in the sense that the problems faced by Malaysia (and, for that matter, Indonesia) extend far beyond the purview of a narrow, security-first focus on chasing down terrorists.

And that leads me to this final point:

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[9] Rizal Mallarangeng, "The Future of Indonesia Depends on Our Friendship with the West," interview, *Van Zorge Report*, undated.

In the abstract, security and democracy are compatible. In practice, however, the United States will have to work out, country by country, an appropriate mix of policies meant to promote these values. Pakistani-style compromises may be necessary on the borders of Aghanistan. In Southeast Asia, however, the United States faces a greater range of choices between these two priorites.

Mr. LEACH. I think rather than interrupt your testimony, we should recess subject to the vote, and this will probably be a 15 minute recess.

[Recess.]

Mr. CHABOT. [Presiding.] We apologize for any inconvenience, but the Majority Leader Mr. Armey announced officially that he is retiring at the end of next year—the end of his term, and so all Members went over to hear the news and his speech, and I imagine the Chairman is still making his way back. And I apologize for any inconvenience to the panel or any of the folks here today.

The first witness has already testified. We will continue on with Dr. Hefner at this time. And I guess the Chairman has already requested that the witnesses, if possible, limit their testimony to 5 minutes, and then the Committee Members will follow up with questions.

So, Dr. Hefner.

STATEMENT OF ROBERT HEFNER, Ph.D., INSTITUTE FOR RELIGION AND WORLD AFFAIRS, BOSTON UNIVERSITY

Mr. HEFNER. Thank you very much, Mr. Chair and Committee Members. I thought I was going to speak 10 minutes up until 15 seconds ago.

Mr. CHABOT. With unanimous consent, we will make that 10 minutes then if there is no objection.

Mr. HEFNER. I work on Muslim politics in Southeast Asia generally with a particular focus on Malaysia and Indonesia, but this morning I am going to talk primarily about the largest majority Muslim country in the world and certainly in Southeast Asia, and that is Indonesia. In evaluating the situation of Muslims in Indonesia after September 11, we have to distinguish the reaction of ordinary Muslims from the intrigues of rival Muslim elites.

In the days following September 11, many ordinary Muslims expressed heartfelt condolences to me and other Americans concerning the victims of the violence. By contrast, when the United States initiated its air campaign against al-Qaeda bases in Afghanistan, hard-line Muslims leaders demanded that Indonesians boycott American-owned businesses and that the government suspend diplomatic relations with the U.S. Islamist hard-liners also linked to groups battling Christians in eastern Indonesia, about whom I will have more to say (and perhaps we can chat more after my testimony), hard-liners who are currently battling Christians in eastern Indonesia also threatened to use their paramilitaries to sweep local hotels in Java and Sumatra in search of American and British tourists.

Despite these threats, and despite the pro-Taliban reporting in once-proud Islamic newspapers like Republika, no sweepings occurred, and the number of demonstrators outside the American Embassy never exceeded more than a couple of thousand, a mere pittance really in a country of 210 million people. Equally important, leaders of the two largest Islamic organizations, the

Nahdlatul Ulama and the Muhammadiyah, which together have some 50 million associates, repudiated all calls for radical action.

On the basis of examples like these, I believe we can conclude that sentiment among mainstream Muslims after September 11 remains consistent with the remarks of President Megawati Sukarnoputri, who offered soft words of consolation to the victims of the attacks in the U.S.—even while expressing reservations about the American campaign in the alliance campaign in Afghanistan.

There is also, however, a stronger anti-American countercurrent at work in some circles in the United States. In late September, the government-sponsored Council of Islamic Scholars, the MUI, issued an official declaration stating that if the United States attacked Afghanistan, all Muslims everywhere would be obliged to join in a jihad against the United States. The MUI declaration was one of the harshest statements of support for the Taliban heard from any state-supported religious body in the Muslim world, a rather startling fact. Certainly it is not surprising and nothing new to hear that Muslims might take issue with some United States policies, most notably in the Middle East. Rather than reflecting broad public sentiment, however, extremist statements like the one I just described calling for jihad against the U.S. have more to do with the bitter struggle now unfolding, a domestic struggle, between moderates and hard-liners for the hearts and minds of the Indonesian Muslim community. Having succeeded in ousting the former President Abdurrahaman Wahid in August 2001, hard-line Islamists are now pressing forward, attempting to place the government of Megawati Sukarnoputri on the defensive.

How do things get this way? Just very briefly, let me back up and provide some background. As I have noted in other fora, in its final years the New Order, that is the Suharto regime (1966 to 1998), was not the monolith that many policymakers and U.S. academics had long imagined. From 1990 on, the ruling party and the military were plagued by bitter factional disputes between those eager to play the Islamist card and those people, also mostly Muslim, inclined to support some variant of secular nationalist politics or multiconfessional, multireligious politics. Suharto himself took advantage of this rivalry playing the so-called green or Islamist generals off against the red or nationalist generals. From 1994 on, however, Suharto tendered to favor the Islamists, providing funding and tactical support to small but militant Islamist organizations. He did so because he saw in them the possibility of allies against the democracy movement, a democracy movement whom he described as pro-Christian, pro-American and anti-Islamic.

The turn to ultraconservative Islam also impacted the ruling party, Golkar. Although for most of its history, Golkar had been a big tent, which included Christians, secular nationalists and nominal as well as pious Muslims, from 1994 on, President Suharto awarded control of the party's powerful Strategy Bureau, which is really a kind of dirty tricks think tank, to hard-liners tied to an Islamist faction in the Armed Forces.

In collaboration with this small faction of Islamist commanders, the Strategy Bureau crafted many of the fiercely anti-Christian, anti-Chinese and anti-American propaganda tracts issued during

the final months of the Suharto regime. Booklets like *The Conspiracy to Overthrow Suharro* described an evil international conspiracy in which the United States, the Vatican, Israel's Mossad and nominal Muslims and Chinese Indonesians, most of whom are Christian, engineered the 1997–1998 financial crisis so as to drive Suharto from power. Why? Because he is a Muslim. The book was funded, incidentally, by one of Suharto's sons. The book ended by calling for enemies of Islam to be driven from Indonesia once and for all, singling out the Chinese as especially deserving of such drastic treatment.

This tract was distributed to ultraconservative Islamist groups just weeks prior to the riots of May 13, 14, 1998, when thousands of Chinese shops were destroyed, and some 100,000 Chinese were forced to flee the country.

After Suharto's fall in May 1998, it looked for a while to many of us, including myself, as if hard-line Islamists in the Armed Forces and bureaucracy (who are a minority, I emphasize again), had been discredited once and for all. However, recent events show that over the past year these groups have staged a remarkable comeback. It is no coincidence, for example, that the principal architect of the September statement from the Council of Islamic Scholars (or MUI) was also the man who directed Golkar's Strategy Bureau during the years Suharto pursued his alliance with hard-line Islamists. He is the same fellow. The same man spearheaded Islamist opposition to former President Wahid, removed in August of 2001. More recently he has lent his quiet but systematic support to hard-line groups calling for jihad against Christians in eastern Indonesia. This man and his associates are skillfully exploiting the issue of American involvement in Afghanistan to advance their political careers and ratchet up pressure on the Megawati government as well as secular nationalists, Christians, and others.

The primary threat in Indonesia then is not extremism in public in a kind of general sense, least of all in the Muslim community as a whole, which is decidedly moderate, but the efforts of a small but well placed and influential faction in the political and Islamic elite to hijack the political process and the Muslim community.

With this general observation in mind, let me end my testimony today with a few comments on something that I think should be of concern to all of us; that is, the violence in the eastern Indonesian territories of Maluku and Poso in Central Sulawesi. Over the past years, an estimated 6,000 people, that is the official estimate—unofficial estimates range up as high 18,000—Christians and Muslims have died in this interreligious conflict in these three provinces.

I must emphasize from the beginning—this is very important—that neither the Muslim nor Christian side in these awful conflicts has had a monopoly on the use of horrific violence. In fact, in both of the two main provinces where violence is occurring, Christians were involved in some of the earliest incidents of violence, including mass killings of refugee women and children.

Nonetheless it is clear that tensions in both of these regions have been greatly exacerbated recently by the arrival of well-armed and well-funded Islamic paramilitaries from outside the region, primarily from Java and Sumatra. The largest of these groups is

known as the jihad militia, or Laskar Jihad. This organization has its roots in the conservative Islamist movement founded in central Java in the early 1990s by a young and a very charismatic Arab Indonesian, Jafar Umar Thalib. Having studied in Pakistan and fought alongside the mujahidin in Afghanistan, Jafar returned to Indonesia in early 1990s. Today is reported to have ties to the Islamist wing of the Armed Forces as well as to associates of former President Suharto. Those ties are much more important than any international contacts he might have.

It is equally true, however, that other factions in the military wing of the government, probably majority factions, are deeply troubled by Jafar's activities. The Laskar Jihad asserts that the U.S. and Israel are coordinating an international campaign to destroy Islam in general, and in Indonesia in particular, because it is a majority Muslim society. At least on this point of ideology, the Laskar Jihad's ideology does bear a striking resemblance to Osama bin Laden's movement. In recent years some members of the Laskar Jihad have had contacts with bin Laden. A few dozen Arab fighters are reported to have travelled to Maluku and Poso—not very many, but a few dozen—to aid in the battle against Christians, the most recent sighting having been reported by the BBC just a couple of weeks ago, the end of November.

However, we would do well, I emphasize this, Mr. Chairman, to distinguish the Laskar Jihad from bin Laden and al-Qaeda, whatever there may have been in terms of occasional contacts.

In recent weeks as the United States has mounted its campaign in Afghanistan. The Laskar Jihad leadership has taken pains to distance itself from bin Laden. Laskar Jihad press releases describe bin Laden as a Kharijite, which basically means a deviationist rebel, religiously deviationist rebel.

Whatever the extent of earlier contacts, the Laskar Jihad depends primarily on domestic intra-Indonesian support for its survival. In light of this dependency, and in light of elite sponsors' wariness of risking the ire of the U.S., it is not surprising that the Laskar Jihad leadership now takes pains to repudiate bin Laden. A year ago they did not.

More generally, I believe we can conclude that the primary influences on Indonesia's religious violence are domestic, not international. They are related above all to the continuing erosion of state authority, the growing reliance of local groupings that would include Christians as well as Muslims on paramilitary violence, and a fierce struggle between moderates and hard-liners for the heart and soul of the Muslim community.

I jump ahead to my conclusions. The majority of Indonesian Muslims are moderate. Many support democracy and look with sympathy to the West. Over the past year, however, the moderates have been skillfully outmaneuvered by Islamist hard-liners.

Nonetheless, despite the disarray in their leadership, a clear majority among Muslims opposes the Jihad violence in Maluku and Poso, is uneasy with the strident nature of recent anti-Americanism, and yearns for a politics that is moderate and inclusive.

All this means that the U.S. campaign against al-Qaeda will continue to have a serious impact on Indonesia's Muslim community.

But the impact need not be fatally destabilizing. Indeed, I don't think it will be.

Much depends, however, on the efforts of Megawati and the mainstream Muslim leadership and on whether moderate elements in the Armed Forces can be urged to pull the country back from its current political and economic abyss.

Thank you.

[The prepared statement of Mr. Hefner follows:]

PREPARED STATEMENT OF ROBERT HEFNER, PH.D., INSTITUTE FOR RELIGION AND WORLD AFFAIRS, BOSTON UNIVERSITY

In evaluating the situation of Muslims in Indonesia after the September attacks on the United States, we have to distinguish the reaction of ordinary Muslims from intrigues among rival Muslim elites. In the days following September 11, many Muslims expressed heartfelt condolences for the American victims of the violence. By contrast, when the United States initiated its air campaign against al-Qaida bases in Afghanistan, hardline Muslims demanded that Indonesians boycott American-owned businesses and that the government suspend diplomatic relations with the U.S. Islamist hardliners linked to groups battling Christians in eastern Indonesia (about whom I'll have more to say later) threatened to use their paramilitaries to "sweep" local hotels in search of American and British visitors. Despite these threats, and despite, I might add, the pro-Taliban reporting in once-proud Islamic newspapers like *Republika* (a newspaper linked to supporters of former President Habibie), no sweepings occurred, and the number of demonstrators outside the American embassy never exceeded more than a few thousand—a pittance in this country of 210 million. Equally important, leaders of the two largest Islamic organizations, the *Nahdlatul Ulama* and the *Muhammadiyah*, which have some 50 million followers, repudiated calls for radical action.

On the basis of examples like these, I believe we can conclude that sentiment among mainstream Muslims remains consistent with the remarks of President Megawati Sukarnoputri, who offered soft words of consolation to the victims of the September attacks when she visited the U.S. However, there is an anti-American countercurrent to the mainstream Muslim view. Traces of this sentiment were apparent in the comments of Vice President, Hamzah Haz, shortly after the attack. Leader of a large Islamic party that advocates the implementation of Islamic law, Mr. Hamzah qualified his expression of condolences with the observation that the violence might help the United States "expiate its sins," presumably in the Middle East. Similarly, in late September, the government-sponsored Council of Indonesian Islamic Scholars (MUI, *Majelis Ulama Indonesia*) issued an official declaration stating that, if the United States attacked Afghanistan, all Muslims were obliged to join the *jihad* against the U.S. The MUI declaration was one of the harshest statements of support for the Taliban heard from any state-supported religious body in the Muslim world.

Certainly it is not surprising that Muslims might take issue with some U.S. policies, most notably in the Middle East. Rather than reflecting broad public sentiment, however, extremist statements like those calling for *jihad* against the U.S. have more to do with a bitter struggle now unfolding between moderates and hardliners for the hearts and minds of the Muslim community. Having succeeded in ousting the former president Abdurrahman Wahid in August 2001, hardline Islamists are now pressing forward, attempting to place the government of Megawati Sukarnoputri on the defensive.

How did things get to be this way? As I noted two years ago, in its final years the New Order was not the Soehartoist monolith that many American policy makers and academics had long imagined. From 1990 on, the ruling party and the military were plagued by bitter factional divides between those eager to play the Islamist card and those (also mostly Muslim) inclined to support secular nationalist policies. Soeharto himself took advantage of this rivalry, playing the so-called green or Islamist generals off against the red or secular nationalist generals. From 1994 on, Soeharto tended to favor the Islamists, providing funding and tactical support to small but militant Islamist organizations. Soeharto looked to the hardliners for help in attacking the democracy movement, which he and they attempted to portray as anti-Islamic.

The turn to ultraconservative Islam also impacted the ruling party, Golkar. Although for most of its history Golkar had been a big tent which included Christians, secular nationalists, and nominal as well as pious Muslims, from 1994 on President

Soeharto awarded control of the party's powerful "strategy bureau" (*Litbang Golkar*) to hardliners tied to an Islamist faction in the armed forces. In collaboration with the Islamist military, the strategy bureau crafted many of the fiercely anti-Chinese, anti-Christian, and anti-American propaganda tracts issued during the last months of Soeharto rule. Booklets like the *Conspiracy to Overthrow Soeharto* described an evil conspiracy in which the U.S., the Vatican, Israel's Mossad, *abangan* Javanese (i.e. nominal Muslims), and Chinese Indonesians engineered the 1997–1998 financial crisis so as to drive Soeharto from power. The book ended by calling for enemies of Islam to be driven from Indonesia once and for all, singling out the Chinese as especially deserving of such drastic treatment. This tract was distributed to conservative Islamist groups just weeks prior to the riots of May 13–14, 1998, when thousands of Chinese shops were destroyed, and some one hundred thousand Chinese fled the country.

After Soeharto's fall in May 1998, it looked for a while as if hardline Islamists in the armed forces and bureaucracy had been discredited once and for all. However, recent events show that over the past year these groups have staged a remarkable come back. It is no coincidence, for example, that the principle architect of the September statement from the Council of Islamic Scholars (MUI) calling for *jihad* against the United States was also the man who directed Golkar's Strategy Bureau during the years Soeharto pursued his alliance with hardline Islamists. This same man spearheaded Islamist opposition to former President Wahid; more recently, he has lent his support to hardline groups calling for *jihad* against Christians in Maluku and Sulawesi. This man and his associates are skillfully exploiting the issue of American involvement in Afghanistan to advance their political careers and ratchet up pressure on the Megawati government.

The primary threat in Indonesia, then, is not extremism in the public as a whole but the efforts of a small but influential faction in the political elite to hijack the political process and the Muslim community. With this general observation in mind, let me end my testimony today with a few comments on the violence in the eastern Indonesian territories of Maluku and Poso, Central Sulawesi. Over the past three years, an estimated 6000 people have died in Muslim-Christian violence in these provinces.

I must emphasize from the beginning that neither the Muslim nor Christian side in these awful conflicts has had a monopoly on the use of horrific violence. In fact, in both provinces Christians were involved in some of the earliest incidents of violence, including mass killings of refugee women and children. Nonetheless, it is clear that tensions in both of these regions have been exacerbated by the arrival of well armed and well-funded Islamic paramilitaries from Java and Sumatra. The largest of these groups is known as the "*jihad* militia" or Laskar Jihad. This organization has its roots in a conservative Islamist movement founded in central Java in the early 1990s by a young and charismatic Arab-Indonesian, Jafar Umar Thalib. Having studied in Pakistan and fought alongside the mujahidin in Afghanistan, Jafar returned to Indonesia in the early 1990s. Today he is reported to have ties to the Islamist wing of the armed forces, as well as associates of former President Soeharto. It is equally true, however, that other factions in the military and government oppose Jafar's activities.

The Laskar Jihad asserts that the U.S. and Israel are coordinating an international campaign to destroy Muslims in general and Indonesia in particular. On this point, at least, the Laskar Jihad's ideology bears a strong resemblance to that of Osama bin Laden. In recent years some members of the Laskar Jihad have had contacts with bin Laden, and a few dozen Arab fighters are reported to have traveled to Maluku and Poso to aid in the battle against Christians, the most recent having been sighted last month by BBC reporters.

However, we would do well to distinguish the Laskar Jihad from bin Laden and al Qaida. In recent weeks, as the United States has mounted its campaign in Afghanistan, the Laskar Jihad leadership has taken pains to distance itself from bin Laden. Laskar Jihad press releases describe bin Laden as a "Kharijite" or a religiously deviant rebel. Whatever the extent of its earlier contacts, the Laskar Jihad depends primarily on domestic support for its survival. In light of this dependency, and in light of elite sponsors' wariness of risking the ire of the U.S., it is not surprising that the Laskar leadership has taken pains to repudiate bin Laden More generally, I believe we can conclude that the primary influences on Indonesia's religious violence are domestic, not international. They are related above all to the continuing erosion of state authority, the growing reliance of local groupings (Christian as well as Muslim) on paramilitary violence, and a fierce struggle between moderates and hardliners for the heart and soul of the Muslim community.

Let me end with four summary points. First, elite politics in Indonesia was bitterly factionalized by the end of the Soeharto era. Taking their cues from Soeharto

himself, some among the political elite turned to hardline Islamists as a foil against the democratic opposition and against those calling for investigations of the military.

Second, this factionalism carried over into the post-Soeharto period. Hardline Islamists in the military and Golkar at first seemed discredited by their earlier collaboration with Soeharto. However, the international outcry against the September 1999 violence in East Timor and anxieties about calls for human rights investigations led some old regime associates to grow alarmed at Indonesia's reform process. The result was that they renewed their tactical alliance with hardline Islamists. The resulting flow of funds to *jihad* groups has exacerbated the violence in eastern Indonesia considerably.

Third, with Wahid removed in August 2001, and with public support for Megawati Sukarnoputri slipping, hardline Islamic groups had decided to mobilize against Megawati Sukarnoputri even before the events of September 11, 2001. The American campaign in Afghanistan provided the hardliners with additional ammunition against moderate Muslims and secular nationalists.

Fourth and finally, however, the contest for the hearts and minds of Indonesian Muslims is far from over. The majority of Indonesian Muslims are moderate; many support democracy and look with sympathy to the West. Over the past year, however, the moderates have been skillfully outmaneuvered by Islamist hardliners. Nonetheless, despite the disarray in their leadership, a clear majority among Muslims opposes the *jihadi* violence in the Maluku, is uneasy with strident anti-Americanism, and yearns for a politics that is moderate and inclusive.

All this means that the US campaign against al-Qaida will continue to have a serious impact on Indonesia's Muslim community. But the impact need not be fatally destabilizing. Much depends on the efforts of Megawati and the mainstream Muslim leadership, and on whether moderate elements in the armed forces can be urged to pull the country back from the current political and economic abyss.

Mr. LEACH. Thank you very much, Dr. Hefner. Dr. Rabasa.

STATEMENT OF ANGEL M. RABASA, Ph.D., SENIOR POLICY ANALYST, THE RAND CORPORATION

Mr. RABASA. Mr. Chairman, thank you for inviting me to testify. The subject of my presentation is the changes in the security environment and threats to stability and to the United States' interests not only in Indonesia, but in Southeast Asia at large. This is a very large subject, and I asked the staff before the hearing if I could speak for longer than 10 minutes, but I will keep it to less than that.

Mr. LEACH. If I could interrupt for a second. All of your statements will be fully in the record. Without objection, that is ordered. But we would like to keep it around 10 minutes.

Mr. RABASA. I will keep it as short as possible, Mr. Chairman. Thank you.

First, I would like to commend this Committee for holding this hearing on Southeast Asian security as a service to the nation.

Southeast Asia is a region of enormous strategic importance that has not received the level of attention that it deserves. I will skip over the reasons why this is so. The straits and sea lanes of communication in the region are critical to commerce. 50 percent of the world's shipping transits these sea lanes and straits.

From a military standpoint, they are critical to the movement of U.S. forces from the Southwest Pacific to the Middle East and beyond.

Threats to the security of the region and to United States' interests fall into three main categories: First, conventional military threats; second, threats of international terrorists and radical networks; and, third, international threats to the stability of Southeast Asian nations.

In the conventional military arena, the primary area of concern is China's emergence as a major regional power, linked to China's exorbitant claims in the South China Sea. Beijing's quest for improved power-projection capabilities, assertiveness in pressing its maritime and territorial claims in the South China Sea, and track record of using military power to enforce its claims have stirred apprehension in Southeast Asia about China's intentions.

Much of this concern reflects an underlying, if sometimes unspoken, fear that China's assertiveness will increase as its power grows. As a result, many of the nations in Southeast Asia rely on the United States to guarantee regional stability and security and to balance China's rising power. I say more about that in my statement.

The threats of international terrorist networks and threats to international stability are distinct, but related. First, I would like to give some context. As you know, Southeast Asia is a region with one of the largest concentrations of Muslims in the world, over 200 million in Indonesia alone. They are a majority in Malaysia and Brunei and significant minorities in the Philippines and Thailand.

This is important because many of the terrorist and militant groups are associated with radical Islamic ideologies, as the previous speakers have indicated. They represent a small minority of Muslims, but they have the potential to influence a larger substratum of the Muslim population. And, in fact, the strategy of some of these groups is precisely to radicalize and capture a larger share of mainstream Muslim public opinion in order to increase their power and influence and destabilize secular and moderate governments in the region. The deterioration of economic and social conditions after the economic crisis and the associated political upheaval in Indonesia produced an environment favorable to the activity of terrorists, radical groups, and separatists.

There are active Muslim separatist movements in southern Thailand and the southern Philippines as well as in the Indonesian province of Aceh. For the most part, the separatists do not recognize the legitimacy of the nation states that exercise sovereignty over the areas that they claim, and they seek the establishment of independent and exclusive Islamic entities. Some of the most extreme groups see their efforts as part of an international struggle between Islam and the West.

There are also, in Indonesia and Malaysia, both Muslim majority states, radical groups that seek not to separate from the nation state, but to reorganize the state in accordance with Islamic principles. These radical groups have linkages with each other and with analogous groups in Pakistan, Afghanistan, and the Middle East.

There is evidence of the existence of al-Qaeda cells in Indonesia, the Philippines, and possibly Malaysia. Documents from a trial in Spain of eight alleged al-Qaeda members indicated that one of the suspects had been trained at a camp run by al-Qaeda in Indonesia. I personally believe that this refers to an al-Qaeda cell within a Laskar Jihad camp.

There is also evidence of links between al-Qaeda and radical Islamic movements in Southeast Asia, including Abu Sayyaf in the Philippines, Malaysian radicals, and militant Indonesian Islamic

organizations. These groups are a direct threat to Americans. Abu Sayyaf has kidnapped and killed Americans. Some of the Indonesian groups have carried out what they call sweepings; that is, they entered hotels and businesses looking for Americans to expel from Indonesia. The Indonesian authorities have characterized these activities as terrorism.

These groups do not operate in a vacuum. They operate in a political environment that has been profoundly affected by the terrorist attacks of September 11th and by the United States' response.

President Megawati Sukarnoputri of Indonesia was the first leader of a major Islamic country to visit Washington after September 11th. She told President Bush at the time that Indonesia was ready to cooperate with the United States and other civilized countries in the struggle against terrorism. However, support for the war on terrorism as it manifested itself in military operations in Afghanistan became a controversial political issue in Indonesia that extreme organizations sought to exploit, and in fact some of the articles in the Indonesian press indicated that the target of these demonstrations and disturbances was not the United States, but that it was Megawati.

The success of the United States-led campaign without large-scale civilian casualties appears to have dampened the Muslim backlash, and to some degree weakened extremists, as seems to have been the case in countries like Pakistan and Egypt as well. This turn of events should make it easier for the Indonesian government to take a more active part in the war on terrorism.

Nevertheless, the threats to stability in Indonesia have by no means been dispelled. There is a long way to go before Indonesia consolidates a stable democratic order. Given the magnitude of the stakes, the United States needs to put in place realistic long-term programs to support democratic consolidation and stability in Indonesia.

In my statement, I elaborate on the effects of September 11th on Malaysia and the Philippines and on the constructive role of Singapore in regional security.

In the interest of time, I will move directly to an analysis of our security interests and a recommended U.S. approach. The starting point for this analysis is that September 11th changed in a fundamental way the U.S. calculus of interests.

With the United States vitally concerned about not having its war on terrorism viewed as an anti-Islamic crusade, the support of moderate Muslim-majority states, such as Indonesia, is crucially important. At the same time, it is equally important, as I mentioned before, to be aware that the ultimate goal of many of these terrorist and radical groups is the destabilization of these governments.

Their terrorism is a means to an end and not an end in itself. Therefore, our actions should be framed by a strategy of strengthening regional security structures and promoting stability and democratic consolidation in states at risk.

Specifically, we should do the following:

First, as we recommended in the RAND report on Asian security released earlier this year, we should deepen and widen our bilat-

eral alliances and partnerships to allow the creation of a comprehensive security network in the Asia Pacific region. This multilateralization of our defense and security arrangements in Asia could serve as a complement rather than as a substitute for our bilateral security treaties, and it could ultimately include the United States, Japan, the Republic of Korea, Australia, Singapore, the Philippines, and Thailand.

Initially, the United States should encourage these countries, who are key friends and allies in the region, to improve the interoperability of their armed forces so they can respond to regional crises as coalitions. Intelligence sharing which, according to a statement by the U.S. Commander in Chief, Pacific Command, is at an unprecedented level after September 11th, is an indispensable component of any comprehensive strategy.

Second, we need to promote the cohesion, stability and territorial integrity of Indonesia and other Southeast Asian states. Economic reconstruction is critical to political stability. The United States and other allied countries should help to rebuild the economies of the ASEAN countries.

Indonesia's democratic evolution since the fall of Suharto has opened a window of opportunity for closer military-to-military relations. There has been progress under this Administration in strengthening ties at senior levels through high-level visits, conferences, and seminars. However, because of restrictions on international military education and training (IMET), funds for Indonesia since 1992, there has been a lost decade in which few Indonesian military officers were exposed to American methods and values. So there is a need for expeditious movement and normalization of military-to-military relations, including restoration of IMET for Indonesia.

Third, we need to restore a robust security assistance program to allies in the region, especially the Philippines, a front-line state in the war on terrorism. Beyond counterterrorism assistance, we should provide urgently needed air defense and Naval patrol assets to the Philippines to help Manila reestablish deterrence vis-a-vis China and to give a further impetus to the revitalization of the United States-Philippine defense relationship. The 92.3 million dollars in military assistance promised during the visit of President Macapagal-Arroyo last month is a step in the direction of redressing the shortfalls in Philippine capabilities.

Fourth, we should expand and diversify our access and support arrangements in Southeast Asia in order to be able to respond on an effective and timely basis to unexpected contingencies. After all, 6 months ago, who would have thought that our Armed Forces would be required to plan and execute a military campaign in Afghanistan?

In conclusion, the international situation after September 11th confronts the United States with a complex challenge. The immediate task is to fight the terrorist organizations associated in a loose international network with those responsible for the September 11th attacks. But beyond that, what is needed in Southeast Asia is a comprehensive strategy to strengthen the ability of our regional friends and allies to counter threats to our security and stability and to act together against common security challenges

and to enhance the ability of our own military forces to respond to regional contingencies through improved access and support arrangements.

Thank you very much.

[The prepared statement of Mr. Rabasa follows:]

PREPARED STATEMENT OF ANGEL M. RABASA, PH.D., SENIOR POLICY ANALYST, THE RAND CORPORATION

Mr. Chairman:

Thank you for inviting me to testify. As a Senior Policy Analyst with the RAND Corporation, I have been working for the last three years on Southeast Asian security issues as part of RAND's Project AIR FORCE, a project sponsored by the Deputy Chief of Staff for Air and Space Operations, United States Air Force, and by the Commander, Pacific Air Forces. This statement is based on a variety of sources, including this research.

As an American and at a time when our country is confronting a great challenge, I am pleased that, by testifying before this Subcommittee, I can share our findings with you and make a contribution, however small, to the great national task that we have before us. This Subcommittee is doing a service to the nation by holding these hearings on Southeast Asia after September 11. With a population of 500 million and vast natural resources, Southeast Asia is an area of enormous strategic importance that has not always received the level of attention that it deserves. It is the crossroads between the concentration of industrial, technological and military power in Northeast Asia, and the Indian subcontinent and the Middle East. A high proportion of the trade of Japan, the Republic of Korea, Taiwan, and Australia, including much of their oil imports, transit the straits and sea lanes of communication of Southeast Asia. From a military standpoint, these straits and sea-lanes of communication are critical to the movement of U.S. forces from the Southwest Pacific to the Indian Ocean, the Middle East and beyond.

Threats to the security and stability of Southeast Asia and to U.S. security interests in the region fall into three categories:

- Conventional military threats
- Threat of international terrorist and radical networks; and
- Internal threats to the stability of Southeast Asian nations

CONVENTIONAL MILITARY THREATS

In the conventional military arena, the primary area of concern is China's emergence as a major regional power, linked to China's exorbitant claims in the South China Sea. Beijing's quest for improved power projection capabilities, assertiveness in pressing its maritime and territorial claims in the South China Sea, and track record of using military power to enforce its claims have stirred apprehension in Southeast Asia about China's intentions. Much of this concern reflects an underlying, if sometimes unspoken, fear that China's assertiveness will increase as its power grows. As a result, many of the nations in Southeast Asia rely on the United States to guarantee regional stability and security and balance China's growing power.

Although the prospects appear remote that China will mount a major conventional attack in the South China Sea in the foreseeable future, the possibility cannot be ruled out that hostilities could break out between China and one of the Southeast Asian states as the result of an incident that spins out of control, or that conflict could be triggered by energy exploration or exploitation activities. It is also conceivable that armed conflict could extend to the South China Sea as the result of a confrontation between China and the United States over Taiwan.

Having outlined these potential sources of conflict, it is important to point out that there are countervailing factors that might inhibit aggressive Chinese behavior. China at the present has a strong stake in maintaining good relations with its neighbors and with the United States and a stable environment in the Asia-Pacific region. From this perspective, any disruption in the patterns of international trade and investment in Asia could seriously damage China's ability to sustain high rates of economic growth, which are key to its emergence as a major power and to the preservation of domestic political stability.

For the present, we can anticipate that the Chinese will continue their step-by-step tactics and ambiguous use of force in the South China Sea to increase their presence in disputed areas. The Chinese have been adept at camouflaging their political-military operations in ostensibly innocuous garb—for instance, the construc-

tion of so-called "fishermen's shelters" on Mischief reef, which is claimed by the Philippines. Nevertheless, China's intentions, ambitions, and operating style could change over time. As China's power grows, other determinants of Chinese behavior, including the desire for regional hegemony, could lead to a more aggressive challenge to the regional status quo.

Aside from disputes involving China, there are also outstanding territorial disputes and tensions among Southeast Asian countries. The Philippines, Vietnam, and Malaysia have overlapping claims in the South China Sea. Malaysia has boundary disputes with Indonesia in Borneo, as well as a longstanding dispute with the Philippines over ownership of the eastern Malaysian state of Sabah. Thailand's primary security concern is the border tensions with Burma which, according to Thai analysts, have the potential to escalate into armed conflict. The Association of Southeast Asian Nations (ASEAN) has been remarkably successful since its inception in keeping these disputes from developing into conflicts. While ASEAN was weakened by the economic crisis and the political crisis in Indonesia, historically the keystone of ASEAN, the tendency since September 11 has been increased security cooperation among its members against the common threat of terrorism and subversion.

THREATS OF INTERNATIONAL TERRORIST AND RADICAL NETWORKS

These threats and internal threats to stability are distinct, but related. First, I would like to give some context. Southeast Asia is a region with one of the largest concentration of Muslims in the world, over 200 million in Indonesia alone. Muslims are also a majority in Malaysia and significant minorities in southern Thailand and the southern Philippines. This is important because many of the terrorists and militant groups are associated with radical Islamic ideologies. They represent a small minority of Muslims, but they have the potential to influence a larger substratum of the Muslim population. In fact, the strategy of some of these groups is precisely to radicalize and capture a larger share of mainstream Muslim public opinion in order to increase their power and influence and destabilize secular and moderate governments in the region.

The deterioration of economic and social conditions after the economic crisis and the associated political upheaval in Indonesia produced an environment favorable to the activities of terrorists, radical groups, and separatists. There are active Muslim separatist movements in southern Thailand and the southern Philippines, as well as in the Indonesian province of Aceh. For the most part, the separatists do not recognize the legitimacy of the nation-states that exercise sovereignty in the areas that they claim and they seek the establishment of independent and exclusive Islamic entities. Some of the most extreme groups see their efforts as part of an international struggle between Islam and the West.

There are also in Indonesia and Malaysia, both Muslim majority states, radical groups that seek not to separate from the nation-state, but to reorganize the state in accordance with Islamic principles. These radical groups have linkages with each other, and with analogous groups in Pakistan, Afghanistan, and the Middle East.

There is evidence of the existence of Al Qaida cells in Indonesia, the Philippines, and possibly Malaysia.[1] Documents from a trial in Spain of eight alleged Al Qaida members indicated that one of the suspects had been trained at a camp run by Al Qaida in Indonesia.[2] There also evidence of links between Al Qaida and radical Islamic movements in Southeast Asia, including Abu Sayyaf in the Philippines, Ma-

[1] One of the suspected September 11 hijackers, identified as Khalid al-Midhar, appeared in a Malaysian surveillance videotape made last year showing him meeting in Kuala Lumpur with a non-Malaysian suspect in the October 12 bombing of the USS Cole in Aden, Yemen. Ramzi Yousef, convicted ringleader of the 1993 terrorist attack on the World Trade Center, plotted in Manila to blow up eleven jumbo jets en route to the United States, while one of the men convicted of the 1998 bombing of the U.S. Embassy in Kenya was a student in the Philippines when he was recruited into the bin Laden organization. After the September 11 attacks, Philippine officials stated that four of the 19 suspected hijackers—Ahmed Fayez, Saeed Alghamdi, Ahmed Alghamdi, and Abdulaziz al-Omari—may have visited the Philippines and that their names appeared on immigration records.

[2] According to court documents in Spain where eight alleged terrorists have been jailed pending trial, one of the eight jailed men, Luis Jose Gallant Gonzalez, known as Yusuf Gallant, received military training at an Indonesian Al Qaida camp in July. An individual named Parlindungan Siregar, aka Parlin, was named as his contact. Parlin reportedly works in the structure of the Laskar Jihad organization. When Gallant Gonzalez was arrested at his Madrid home last week, police found guns, ammunition, knives, a bulletproof vest, forged identification documents, travel documents to Indonesia and pictures apparently taken at the Indonesian camp. In the United States, authorities arrested an Indonesian named Agus Budiman, who is suspected of assisting one of the hijackers involved in the September 11 attacks.

laysian radicals, and several militant Indonesian Islamic organizations.[3] The two most active of the radical Indonesian Islamic groups are Laskar Jihad and the Defenders of Islam Front. Laskar Jihad has been waging a jihad or holy war against Christians in the Moluccas since 1999. The Front is active on the island of Java. The membership of both groups includes veterans of the war in Afghanistan and militants trained in camps in Pakistan and Afghanistan.

These groups are, of course, a direct threat to Americans. Abu Sayyaf has kidnapped and killed Americans. Some of the Indonesian radical groups have carried out what they call "sweepings," that is, they entered hotels and businesses looking for Americans to expel from Indonesia. The Indonesian authorities have characterized these activities as terrorism.

INTERNAL THREATS TO STABILITY

Now, these groups do not operate in a vacuum. They operate in a political environment that has been profoundly affected by the terrorist attacks of September 11 and by the United States' response to these attacks. I will focus my discussion on Indonesia, a country which because of its size and geopolitical weight, is the key to regional security and which is now in the process of a fragile experiment with democracy.

President Megawati Sukarnoputri was the first leader of a major Muslim country to visit Washington after the September 11 attacks. She told President Bush that Indonesia was ready to cooperate with the United States and other civilized countries in the struggle against terrorism. However, support for the war on terrorism as it manifested itself in military operations in Afghanistan became a controversial political issue in Indonesia which extremist organizations sought to exploit. The vast majority of Indonesian Muslims have a moderate approach to religion and do not support the violent tactics of extremists, but many opposed U.S. military actions, including some of the mainstream Muslim organizations. The fear of many moderate Indonesians is that extremist Islamic organizations could end up setting the agenda for the debate on U.S. aims in Afghanistan and the broader issue of the relationship between the West and Islam.

The success of the U.S.-led campaign in Afghanistan, without large-scale civilian casualties, appears to have dampened the Muslim backlash and to some degree weakened the extremists—as seems to have been the case as well in Egypt and Pakistan. This turn of events should make it easier for the Indonesian government to take a more active part in the war on terrorism. Nevertheless, the threats to Indonesia's stability have by no means dissipated. There is long way to go before Indonesia consolidates a stable democratic order. Given the magnitude of the stakes, the United States needs to put in place a realistic long-term program to support democratic consolidation and stability in Indonesia. I'll come back to this at the end of this presentation.

With Muslim ethnic Malays constituting 60 percent of the population, Malaysia is very sensitive to religious politics. The political system in place over the past thirty years, a multi-ethnic coalition dominated by Prime Minister Mahathir's United Malay National Organization (UMNO), is under pressure as the result of generational change and political divisions within UMNO, which manifested themselves in the downfall and imprisonment of former Deputy Prime Minister Anwar Ibrahim. In recent elections, the main Islamic opposition party, the Islamic Party of Malaysia (PAS), has made significant inroads into traditional UMNO strongholds—in fact, Mahathir is only kept in power by the votes of the non-Malay parties.

The aftermath of September 11 placed additional strains on the Malaysian political system. The Islamic Party of Malaysia or PAS, declared a jihad against the United States and authorized its members to fight alongside the Taliban in Afghanistan. The government interpreted the PAS' jihad as a way of scoring political points with Muslims. The government positioned itself in general opposition to terrorism, but also opposing the military option in Afghanistan. Although the PAS does not advocate violence, the government contends that it has been infiltrated by Muslim extremists. In the aftermath of September 11, the authorities identified a Malaysian Mujahedeen group and detained 12 members, including the son of PAS chief Nik Abdul Aziz Nik Mat. The Malaysians also detained the Philippine Muslim rebel Nur

[3] The Indonesian security forces reportedly foiled four terrorist attacks in Jakarta in recent months, including planned bomb attacks on the U.S. Embassy, the American Club, and the Hotel Indonesia. In August 2001, four Malaysians were arrested for the bombing of a Catholic church, a Protestant church, and the Atrium Plaza shopping mall in central Jakarta. A group of Malaysian terrorists reportedly joined the jihad forces in the Moluccas, while others moved on to Jakarta. Indonesian police authorities suggested that the groups were involved in Osama bin Laden's international network.

Misuari, who fled to the Malaysian state of Sabah last month after the Philippine army put down a rebellion by his forces in Mindanao.

In the Philippines, a predominantly Christian country, the government is not exposed to the same politico-religious pressures as its counterparts in Indonesia and Malaysia, but as noted above, Manila faces a persistent Muslim insurgency and a serious terrorist threat. So it is not surprising that President Macapagal-Arroyo came out strongly in support of the war on terrorism. Her government allowed U.S. forces to overfly Philippine airspace and use airfields as transit points in support of Operation Enduring Freedom. The United States, in turn, is providing anti-terrorism training and advice.

Before proceeding to a discussion of the United States approach to Southeast Asian security, a word about Singapore—figuratively and literally an island of stability in an unstable region. Singapore does not have a defense treaty with the United States, but it has a strong coincidence of interests, including maintenance of freedom of navigation and regional stability. The United States and Singapore cooperated closely in dealing with the consequences of the regional economic crisis and the political crisis in Indonesia. Singapore provides the United States with access to its military facilities and contributes significantly to burden sharing. We would expect Singapore to continue to be one of the key anchors of the U.S. military presence in Southeast Asia as the war on terrorism evolves into its next phase.

AN INTEGRATED U.S. APPROACH TO REGIONAL SECURITY

A starting point for the analysis of U.S. security interests in Southeast Asia today is that the September 11 terrorist attacks changed in a fundamental way the calculus of U.S. interests. With the United States vitally concerned about not having its war on terrorism viewed as an anti-Islamic crusade, the support of moderate Muslim-majority countries such as Indonesia is crucially important. At the same time, it is equally important to be aware that the ultimate goal of many of these terrorist and radical groups is the destabilization of these governments. Their terrorism is a means to an end and not an end in itself. Therefore our actions should be framed by a strategy of strengthening security structures in the region and promoting stability and processes of democratic consolidation in states at risk.

Specifically, we should do the following:

First, as we recommended in a RAND report on Asian security released earlier this year, we should deepen and widen our bilateral security alliances and partnerships to allow for the creation of a comprehensive security network in the Asia-Pacific region. This multilateralization of our defense and security arrangements in Asia could serve as a complement rather than as a substitute for our existing bilateral alliances, and it could ultimately include the United States, Japan, the Republic of Korea, Australia, Singapore, the Philippines, and Thailand.

Initially, the United States should encourage these countries, our key friends and allies in the Asia-Pacific region, to improve the inter-operability of their armed forces so that they can respond to regional crises as coalitions. Intelligence sharing which, according to a statement by the Commander-in-Chief Pacific Command, is at an unprecedented level after September 11, is an indispensable component of any comprehensive strategy.

Second, we need to promote the cohesion, stability and territorial integrity of Indonesia and other Southeast Asian states. Economic reconstruction is critical to political stability. The United States and other allied countries should help to rebuild the economies of ASEAN countries by encouraging freer trade and investment and economic reform.

Indonesia's democratic evolution since the fall of Suharto has opened a window of opportunity for closer military-to-military ties with the Indonesian armed forces. There has been progress in this administration to strengthen ties at senior levels through high-level visits, conferences, and seminars. However, because of restrictions on International Military Education and Training (IMET) funds for Indonesia since 1992 there has been a "lost decade" in which few Indonesian military officers were exposed to American methods and values. So there is a need for expeditious movement on normalization of military-to-military relations, including restoration of IMET funding for Indonesia.

Third, we need to restore a robust security assistance program to allies in the region, especially the Philippines, a front-line state in the war on terrorism. Beyond counter-terrorism assistance, we should provide urgently needed air defense and naval patrol assets to the Philippines to help Manila reestablish deterrence vis-a-vis China and give a further impetus to the revitalization of the United States-Philippine defense relationship. The $92.3 million in military assistance promised dur-

ing the visit of President Macapagal-Arroyo last month is a step in the direction of redressing the shortfalls of the Philippine armed forces.

Fourth, we should expand and diversify our access and support arrangements in Southeast Asia in order to be able to respond on an effective and timely basis to unexpected contingencies. After all, six months ago, who would have thought that our armed forces would be confronted with the need to plan and execute a military campaign in Afghanistan?

In conclusion, the international situation after September 11 confronts the United States with a complex challenge. The immediate task is to fight the terrorist organizations associated in a loose international network with those responsible for the September 11 attacks. But beyond that, what is needed in Southeast Asia is a comprehensive strategy to strengthen the ability of our regional friends and allies to counter threats to their security and stability and to act together against common security challenges, and to enhance the ability of our forces to respond to regional contingencies through improved access and support arrangements.

Thank you very much.

Mr. LEACH. Thank you, Dr. Rabasa.

Mr. Jendrzejczyk.

STATEMENT OF MIKE JENDRZEJCZYK, WASHINGTON DIRECTOR, ASIA DIVISION, HUMAN RIGHTS WATCH

Mr. JENDRZEJCZYK. Thank you.

Mr. LEACH. Welcome again.

Mr. JENDRZEJCZYK. Thank you. Appreciate the opportunity to testify today. I will contain my remarks to 10 minutes.

The entire Asia region suffered a political earthquake in the aftermath of the September 11th attacks, and all countries in the region, including in Southeast Asia, condemn the attacks.

But some governments found, in the antiterrorism efforts, reasons to justify existing repression internally. I think what we have seen, and others on this panel have testified to, is a real enthusiasm for the antiterrorist campaign most evident in the Philippines, Malaysia, Taiwan, and South Korea.

However, some, especially in Indonesia, have found the political costs domestically to being to closely involved in this campaign. However, the September 11th events also eclipsed some important ongoing developments that continue since September 11th that have a major impact, I think, on Southeast Asia's continued economic, social and political development as well as its ability to handle some of the problems that others have described here that sometimes result in domestically inspired terrorism.

One was clearly the fragility of democratic transitions in a number of countries in the region, and some of the dilemmas posed by countries that are only partially democratized.

Another is abuses under internal security laws, and we have seen an increase of this in Malaysia, and I should say a new antiterrorist law is now being drafted in Indonesia that will be presented to the Parliament later this month. Indonesian human rights activists and the Human Rights Commission have already expressed concerns that this law could wipe out some key protections contained in the Indonesian Constitution.

We have also seen attacks on human rights defenders and NGOs involved in defending human rights throughout the region, large numbers of internally displaced and refugees and much larger numbers even than we are seeing in Afghanistan, and of course an attempt, sometimes not very effective, by international agencies to deal with these problems and the dislocation that they create.

I want to spend most of my time commenting on the U.S. role in this climate and environment in Southeast Asia and make a few recommendations, both region-wide and country-specific, including on a few countries that haven't really been mentioned yet this morning.

I think the Bush Administration is trying to balance its immediate priority on pressing Southeast Asian governments to cooperate on antiterrorism initiatives while trying to maintain a focus on a longer term set of objectives, including stabilizing newly democratic governments and helping to restart economies in the region, which of course are continuing to nose-dive since September 11.

In this context, I believe that the objective of promoting human rights, good governance, and the rule of law is in fact more essential than ever. The World Bank published an analysis on the impact of September 11th in East Asia last month. And they said, and here I quote,

> "Governance and institutional reform efforts are increasingly important for economic and social advances in the region. Over time, governments and political institutions are becoming reshaped to meet the demands of civil society for greater participation and political accountability.
>
> "In countries in the region that are predominately Muslim or have large Muslin minorities, the quality of governance institutions will be tested as governments contribute to the global campaign against terrorism while maintaining the rule of law and domestic stability."

And I think the panel has summarized, in fact, that challenge very well.

We believe that U.S. policy throughout Southeast Asia should continue to press for fundamental judicial and legal reforms, in Indonesia, in Vietnam, Cambodia and elsewhere, as crucial to effectively fighting corruption and to promoting sustainable growth.

I think throughout the region the Administration, with strong support from Congress, should continue to support an active program of civil society growth and activity, including human rights NGOs and others, including groups trying to assist those displaced by a number of the civil conflicts that others on the panel have mentioned here this morning.

There is no question that some of the conflicts in Indonesia that have been alluded to have roots in a wide variety of factors. One is sectarian violence, such as the violence we are seeing now in Sulawesi between Christians and Muslims. Just last week the coordinating minister for security, Bambang Yudhoyono, said that five new battalions of police and military would be sent into Sulawesi to try to stabilize the situation. But I must say there is a great deal of skepticism on the part of those we talked with on the ground that this will in fact correct the situation.

What is needed is a more energetic effort, as has been recommended by the Administration and by the Commission on International Religious Freedom, to cut off arms and to cut off money going to groups like Laskar Jihad. I should say, if you look on the Laskar Jihad Web site, and they do have an English language site, for weeks they have been saying, "we will be sending people to

Sulawesi," so this was not a surprise, certainly to the Indonesian government that was clearly aware that this was going to happen, as it did in the Moluccas a year and a half ago.

I disagree, however, with my colleague from RAND about the importance of maintaining stress and pressure for greater accountability by the Indonesian armed forces as a part of any effort by the Megawati administration to conduct real reform of TNI, the armed forces. I think in fact such accountability is more important than ever for the success of her efforts.

I hope in fact that the House and Senate will maintain the kinds of rather modest restrictions on IMET for military officials and for FMS contained now in the draft fiscal year 2002 foreign operations bill. In fact, I hope the House will accede to the human rights conditions contained in the Senate language which may be acted on in the next few weeks. This doesn't mean that the U.S. shouldn't be actively involved in promoting police training, police reform, and again fundamental judicial and legal reform. But I think the only way we are going to get transparency in the TNI budget and some level of accountability that Megawati has yet to pursue is to maintain this important, though rather limited leverage contained in the foreign operations legislation.

I wanted to mention, though briefly, three other countries in the region that don't have a major role in the antiterrorist coalition. In fact, in talking with officials from Vietnam a couple of weeks ago, they are quite concerned that they will suddenly fall off the American agenda because they don't have the kind of overall strategic importance as say Indonesia or even Malaysia. One is Vietnam. There is a very high level delegation from Vietnam in Washington this week led by the Deputy Prime Minister, who met with Mr. Armitage at the State Department and Condoleezza Rice at the NSC. This follows the decision by the Vietnamese National Assembly to ratify the bilateral trade agreement as well as the donor conference convened by the World Bank that just took place in Hanoi last week.

I think it is important for the donors to continue to press Vietnam, not only to honor its commitments under the BTA, but also if they are going to effectively fight, for example, corruption, which is a huge problem, to promote greater transparency, and accountability in the Vietnamese legal system and judicial system. I think the U.S. should be providing help in that effort through bilateral assistance or multilateral assistance through the UNDP or the World Bank. But I also think that we have to maintain basic pressure on the government of Vietnam to take certain minimal steps to honor their commitments to respect civil and political rights. We are greatly concerned, as I know many in this body are, about the unrest in the Central Highlands last February, where a number of Montagnards rebelled, and were put down rather brutally by the police. At least 24 have been put on trial as the so-called ringleaders of this unrest. And I have to say this had to do with both issues of ancestral lands being confiscated as well as religious repression, mainly of Protestants, Montagnard Protestants in that region.

I think at a minimum the U.S., with its other donor allies, should be urging Vietnam to invite the UN Working Group on Ar-

bitrary Detention to visit Vietnam and to visit the Central Highlands. The U.S. former Ambassador, Pete Peterson, was able to visit a few of the districts this past July where this unrest occurred, but for the most part the region is pretty well sealed off, both to diplomats and to journalists, domestic and foreign.

We also think it is very important to maintain our longstanding relationship with NGOs in Cambodia, trying to democratize Cambodia since the elections there in 1993. Next February, finally, the government has committed itself to commune level elections. These are crucial, because this is grass roots democracy, And if there is going to be any chance for such democracy to thrive in Cambodia, it has to take place in an atmosphere in which there is no intimidation or political violence at the commune level.

Unfortunately, a number of members of the Sam Rainsy Party, thus far the only effective opposition, have already been killed or threatened in the run-up to these elections. We certainly hope the Administration and Congress will send observers to Cambodia, and that the Administration and Members of Congress will speak out strongly if there is violence leading up to the elections, and most importantly after the elections.

On the question of the Khmer Rouge tribunal, looking at the possibility of a similar tribunal for war crimes committed in Afghanistan, I think it is crucial that the United Nations maintain strictly that international standards of fairness and the due process have to be abided by if the U.N. is to play any role in any so-called joint tribunal that is composed of both Cambodian and U.N.-appointed prosecutors and judges. This could become a model for what may ultimately be created for the crimes that have been committed against the people of Afghanistan.

Now, thus far Kofi Annan has been very clear to say that the U.N. will not take part in any charade. I certainly hope the Administration will do the same, that it will not contribute funds or judicial expertise to any tribunal conducted only by the Cambodian government that doesn't meet basic International standards.

And finally, I wanted to comment just briefly about Burma. As you know, Burma has been in the news the last few days because the Nobel laureates just met in Oslo, and one of the most distinguished laureates, Aung San Suu Kyi was unable to be there, still under house arrest.

Fortunately, there is a slim glimmer of hope, I would say in the last year, that there may be a way out of the current impasse. Former Malaysian Ambassador Razali has visited Burma six times, most recently just a few weeks ago to try to facilitate a dialogue between Aung San Suu Kyi and Lieutenant General Khin Nyunt of the ruling military junta, and there have been some confidence-building measures taken.

About 200 political prisoners have been released. Some NLD township offices are beginning to reopen, but Razali is a long way from getting to where he wants to be, and we certainly heard this from Suu Kyi, and that it is getting the Burmese government to begin a process of transition to a basic civilian government and respect for basic human rights.

And in this context, I think the U.S. Government with strong bipartisan support from Congress is playing a critical role. One, sup-

porting the existing sanctions against Burma that were imposed after 1988. And I would just add the one caveat. If, however, this dialogue leads to something substantial, I think Congress should be flexible. And I would be happy to talk to you in the discussion part of this hearing about positive gestures the U.S. might be willing to make in response to significantly positive steps by the Burmese government.

Secondly, the ILO, the International Labor Organization, Commission of Inquiry on Forced Labor had more impact than I think any of us expected, and the U.S. should obviously continue to support that process as it continues.

And, thirdly, I think it is important that we look creatively for ways to provide humanitarian assistance to more than 40 million Burmese who are suffering the enormously devastating consequences of a decline in social, health and economic conditions, as the military pours more resources into expanding the military rather than providing for the basic needs of their people. And as you know the HIV/AIDS epidemic in Southeast Asia is out of control, perhaps nowhere as badly out of control as in Burma. And I think if there are ways to provide funding through NGOs and U.N. agencies, we should take advantage of them.

Thank you very much.

[The prepared statement of Mr. Jendrzejczyk follows:]

PREPARED STATEMENT OF MIKE JENDRZEJCZYK, WASHINGTON DIRECTOR, ASIA DIVISION, HUMAN RIGHTS WATCH

The entire Asian region suffered a political earthquake in the aftermath of the September 11 attacks on the United States. Afghanistan was the epicenter, but the aftershocks threw domestic politics and international relations into upheaval.

All countries in the region condemned the September 11 attacks. But some governments found, in measures to counteract terrorism, new justifications for long-standing repression. Real enthusiasm for the anti-terrorism campaign was most evident in the Philippines, Malaysia, Taiwan, and South Korea. However, by November, some Southeast Asian leaders were finding that a pro-U.S. position had political costs at home.

Indonesian and Malaysian leaders found that support from important domestic constituencies could be jeopardized if they seemed to be unconditionally supportive of the U.S. bombing of a fellow Muslim-majority nation. By November, Indonesian President Megawati was pleading with President Bush to end the bombing before Ramadan, the Muslim fasting month, began.

The popular reactions across the region were if anything more important, given the increasing importance of civil society in most Asian countries. In general, there were widespread expressions of sympathy both for victims of the September 11 attacks as well as for Afghan civilians. Large demonstrations against the U.S. airstrikes erupted in October in Indonesia, Malaysia and elsewhere. In some cases, these protests reflected the successful portrayal by conservative Muslims of the U.S. effort as an attack on Islam, but they also expressed a broader discomfort within civil society about the perceived disproportionate use of power by the U.S. in a devastated country.

FRAGILE DEMOCRATIC TRANSITIONS:

The September 11 attacks eclipsed many of the human rights issues that had dominated the first nine months of the year. One of these was the fragility of democratic transitions in the region and of some of the dilemmas posed by partial democratization in the absence of strong political institutions—or in the presence of strong militaries. Fair elections produced disastrous leaders in Southeast Asia: Joseph Estrada, a corrupt ex-movie star, ousted from the Philippines presidency in January by Gloria Macapagal Arroyo, and Abdurrahman Wahid, a nearly blind cleric, ousted from the Indonesian presidency in July. Estrada remained highly popular among the country's poor, and his ouster after military-backed protests from the elite and middle class in Manila was semi-legal at best. The question arose, which was the

greater danger to Philippine democracy, a shady president with underworld connections who systematically looted the national treasury but who was nevertheless the choice of the people, or his less than constitutional ouster?

In Thailand the dilemma was similar but less stark. In January, the Thai Rak Thai party, led by Thaksin Shinawatra, won a majority of parliamentary seats in the national election, making Thaksin prime minister. But ten days before the vote, Thaksin, a telecommunications tycoon, was indicted by the National Counter-Corruption Committee (NCCC) on charges of failing to fully declare his financial assets as required by law when he held a previous government post. If the Constitutional Court upheld the indictment, banning Thaksin from public office for five years, the Thai political system could have been thrown into serious crisis. If it did not, despite apparently strong evidence of unrevealed wealth, the independence of the Court and Thailand's battle against high-level graft and corruption would be undermined. The Court voted eight to seven not to uphold the indictment, to the disappointment of political reformers, and the relief of many who feared that democracy would be poorly served by a prolonged period of uncertainty and instability.

President Abdurrahman Wahid, Indonesia's great hope for furthering democratization, proved to be entirely unsuited for the job. He listened to no one, ignored major crises, and in the end tried unsuccessfully to use the military against the parliament that was trying to impeach him on corruption grounds. But the alternative was either a return to former President Soeharto's party, Golkar, or support for Vice-President Megawati Sukarnoputri, whose party had the most seats in the Indonesian parliament and who had extensive army backing. On human rights issues, the choice came down to one of incompetence versus lack of political will. Which was worse, a president who could not make the justice system work or one who would not even try? Much of the human rights and reformist community preferred the former, but when that same inability and lack of inattention to political and economic problems began to lead to a nostalgia in some circles for authoritarianism, Indonesia's democratic experiment was in trouble.

In Cambodia, targeted political assassinations, while few in number, continued to discourage many grassroots candidates from running in Cambodia's long-delayed commune elections, scheduled for early 2002. Southeast Asia continued to be wracked by outbreaks of war and ethnic and communal strife, producing widespread human rights violations and massive new populations of refugees and the displaced. As all eyes were focused on the humanitarian crisis in Afghanistan, it was also worth remembering the 850,000 to one million displaced in Indonesia and some 600,000 to one million in Burma. In most cases, access to humanitarian aid and protection for the displaced was difficult, either because of government obstruction or security concerns.

Refugee populations were also large, with an estimated 200,000 Burmese in Thailand; and in West Timor, an estimated 60,000 to 80,000 East Timorese remained after the forcible expulsions of 1999, although the rate of voluntary return picked up sharply after the peaceful elections in East Timor in August.

Beginning in February, more than 1,000 ethnic highlanders from Vietnam, known collectively as Montagnards, fled to Cambodia after Vietnamese police crushed public protests over land-grabbing and controls on freedom of religion. Cambodia agreed to provide temporary asylum to the Montagnards at two UNHCR sites, but Cambodian officials violated the principle of non-refoulement several times during the year when they forcibly returned groups of Montagnards back to Vietnam, where many were arrested and beaten.

Meanwhile, Vietnam did little to address the grievances that sparked unrest in the Central Highlands last February. At least twenty-four people were put on trial as of November on charges of disrupting security and given prison sentences of up to twelve years. The area where the protests erupted was put off limits to media and diplomats, except for a government-sponsored press tour in March and a limited visit by the U.S. ambassador in July.

INTERNAL SECURITY LAWS

Even before September 11, internal security legislation was being widely abused in many Asian countries. In Malaysia, Prime Minister Mahathir made increasing use of the draconian Internal Security Act to arrest members of the political opposition. On November 30, Deputy Prime Minister Abdullah Ahmad Badawi said that Malaysia might amend its security laws to deal with "modern day terrorism," provoking warnings that this could lead to even further repression of political dissent.

In mid-September, Badawi took advantage of the September 11 attacks to praise Malaysia's Internal Security Act (ISA), which has been used to imprison pro-democracy activists, students, and alleged Muslim extremists as well as supporters of

jailed former Deputy Prime Minister Anwar Ibrahim. The ISA allows for indefinite detention without trial and arrest without a warrant by anyone a police officer has "reason to believe" has acted or is likely to act "in any manner prejudicial to the security of Malaysia." The Malaysian bar association, Malaysian NGOs, and the U.S. State Department have criticized the use of the ISA and urged its repeal. (It would be highly useful if President Bush were to follow up his meeting with Prime Minister Mahathir at the Shanghai APEC summit by reiterating this concern.)

In Indonesia, laws once used to detain critics of former President Soeharto made an unwelcome comeback. In Aceh, Jakarta, and Papua, peaceful critics of government policies were put on trial for allegedly "spreading hatred" toward government officials, a vaguely defined colonial-era offense frequently used by Soeharto against perceived political enemies. On November 20, 2000, for example, activist Muhammad Nazar was arrested for having hung banners at a campus rally criticizing the military and calling for a referendum on the political future of Aceh. He was convicted of "spreading hatred" in March 2001, sentenced to ten months, and, with credit for time served, was released in October 2001.

HUMAN RIGHTS DEFENDERS

Human rights activists in Southeast Asia play a high-profile international role, and in some cases, pay a high price for doing so. At least eight human rights defenders in the region were killed between November 2000 and November 2001, six of them from Aceh, Indonesia. Many more faced intimidation or arrest.

Long established regional organizations such as Forum Asia and the Asian Commission on Human Rights campaigned actively for Asian ratification of the treaty establishing an International Criminal Court and for the repeal of the Internal Security Act in Malaysia. They also worked with other groups in the region to promote better protection of human rights defenders. The Asian Migrant Centre based in Hong Kong had a campaign in seven Asian countries for the ratification of the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. The Asia Monitor Resource Centre took a leading role in documenting labor practices and implementation of corporate codes of conduct throughout East and Southeast Asia. The Bangkok-based South East Asia Press Alliance (SEAPA) was an effective advocate for journalists in the region, helping raise the profile of the beleaguered malaysiakini.com, an electronic news service that the Malaysian government shut down; assist the new East Timorese journalists association get started; and protest threats against the daily newspaper in Banda Aceh by rebels unhappy with the paper's content.

National human rights commissions in the region had their ups and downs. SUHAKAM in Malaysia took a stronger position than many expected in criticizing government abuses against demonstrators and Internal Security Act arrests; Komnas HAM in Indonesia came more and more under the control of obstructionists anxious to prevent serious human rights investigations.

U.S POLICY IN THE REGION:

The Bush administration has tried to balance its immediate priority on pressing Southeast Asian governments to cooperate on anti-terrorism initiatives, while also focusing on longer-term objectives such as stabilizing newly democratic governments and helping to restart stalled economies.

In this context, we strongly believe that the need to promote human rights, good governance, and the rule of law is more essential than ever.

The World Bank published an analysis of the impact of September 11 on East Asia and concluded, "Governance and institutional reform efforts are increasingly important for economic and social advance in the region . . . Over time, governments and political institutions are also becoming reshaped to meet the demands of civil society for greater participation and political accountability . . . In countries of the region that are predominantly Muslim or have large Muslim minorities, the quality of governance institutions will be tested as governments contribute to the global campaign against terrorism, while maintaining the rule of law and domestic stability."

We believe that U.S. policy should continue to press for fundamental judicial and legal reforms—in Indonesia, Vietnam, Cambodia and elsewhere—as crucial to effectively fighting corruption and to promoting sustainable growth.

Throughout the region, we urge the administration, with support from the Congress, to maintain a vigorous program of support for civil society including NGO's and human rights defenders, as well as groups trying to assist refugees and internally displaced populations hit by civil conflicts. We have seen how pro-active embassy staff on the ground can make a major impact.

SOME COUNTRY-SPECIFIC RECOMMENDATIONS:

Indonesia:

The recent upsurge of violence between Christians and Muslims in Sulawesi has added urgency to the need to disarm and cut off funding for armed groups in the region, including the extremist Laskar Jihad militia, previously involved in attacks on Christians in the Moluccas that contributed to the prolonged conflict there. Last week, Minister Bambang Susilo Yudhoyono announced that Jakarta is sending five battalions of police and soldiers to Sulawesi, but local leaders and aid workers are skeptical they can disarm both sides. We agree with the recommendations of the Commission on International Religious Freedom, which on December 5 called on Secretary Powell to press Indonesian authorities to bring under control rogue elements of the Indonesian security forces that support militia groups like Laskar Jihad, to protect civilians in Sulawesi, and to ensure that the perpetrators responsible for the killings of both Muslims and Christians are brought to justice.

The U.S. should continue to support those in Indonesia calling for accountability of security forces for past and current human rights abuses as essential to any effective TNI reform effort, or to creating a climate in which grievances in Aceh or West Papua can be addressed. We support the Leahy human rights conditions on IMET for the Indonesia military and for Foreign Military Sales (FMS), as updated in the pending FY 2002 foreign operations appropriations bill, and urge House and Senate conferees to adopt the Senate language in the final measure.

It is also extremely useful for members of this Committee and others in Congress to express their support for President Megawati's efforts to promote stability, democratization and economic progress, while also urging her to take action on key human rights cases. One such case is the recent death of Theys Eluay, chairman of the Papuan Presidium Council, who was abducted and killed on November 10. During her visit to Washington in September, President Megawati told President Bush and members of Congress that she would pay attention to the concerns of people in West Papua and Aceh which fuel support for separatist and autonomy movements. Only an impartial, truly independent investigation of Mr. Eluay's death can reduce the level of local suspicion and mistrust of government authorities.

Vietnam:

This week, a high-level delegation from Vietnam, led by Deputy Prime Minister Nguyen Tan Dung, will be visiting Washington, New York and San Francisco. The delegation is coming immediately following the annual donor consultative conference in Hanoi (December 7–8), convened by the World Bank, and the decision last month by Vietnam's National Assembly to ratify the bilateral trade agreement. Representatives of a number of companies are expected to be on the delegation.

We believe that Vietnam's donors should press for significant progress in human rights and the rule of law to accompany Vietnam's commitments to economic reforms. The U.S. should also offer assistance, on a bilateral basis or through the World Bank or U.N. Development Program as well as private programs, to help reform the country's criminal, press and security laws—not just its commercial laws.

Specific steps to improve human rights would include: an invitation to the U.N. Working Group on Arbitrary Detention to visit Vietnam again (they visited in 1994), with unrestricted access to the Central Highlands; the unconditional release of all persons held for the peaceful expression of their religious and political views including dozens of political dissidents, indigenous Montagnards, Buddhists, Catholics and Protestant Church leaders under house arrest or imprisoned; repeal of Administrative Detention Directive 31/CP which authorizes detention without trial for two years; and the easing of restrictions on the media and the internet.

Cambodia:

Over the past year, political violence has increased with the approach of the local elections, scheduled for February 2002, in Cambodia's 1,600 communes, or subdistricts. Existing commune chiefs, mostly appointed by the ruling Cambodian People's Party (CPP), are to be replaced with popularly elected commune councils. The Cambodian Human Rights Action Committee, an NGO coalition, documented eighty-two cases of political threats and violence since the beginning of the year, most of them directed at the opposition Sam Rainsy Party (SRP).

We hope the administration will support independent election monitoring, by Cambodian and international NGOs, and speak out strongly—at the embassy level and in Washington—if political violence continues or escalates in advance of or after the elections. Members of this Committee might consider visiting Cambodia in the pre- or post-election period.

We also urge the U.S. to take a cautious, wait-and-see attitude towards the attempt to establish a so-called "mixed tribunal" to put on trial former members of the Khmer Rouge. The legislation sent to the Cambodian National Assembly in January 2001 differed markedly from what had been agreed on with the U.N., most notably deleting a provision that prior amnesties would not be a bar to prosecution.

The U.S. should withhold any political or financial support, or contribution of judges or prosecutors, for a joint tribunal until and unless the concerns expressed by U.N. Secretary General Kofi Annan have been adequately addressed. Cambodia's judicial system remains weak and far from independent, with numerous court decisions influenced by corruption or apparent political influence. A tribunal for Khmer Rouge leaders conducted according to international standards could help set a positive example, but the international community should not support a flawed tribunal in which Cambodian government officials directly or indirectly shape the outcome of the proceedings.

Burma:

There were signs this year of a political thaw and, for the first time in years, hopes that the government might lift some of its stifling repression of civil and political rights. But thus far, progress had been limited to some political prisoner releases and easing of pressures on some opposition politicians in Rangoon. There has been no sign of fundamental changes in law or policy, and grave human rights violations remain unaddressed. Conditions in ethnic minority areas remain particularly grim.

Following his visit to Rangoon in January, the U.N. Secretary General's Special Representative for Burma, Razali Ismail revealed that Lieutenant General Khin Nyunt and Aung San Suu Kyi, the head of the opposition National League for Democracy (NLD), had been engaged in talks since October 2000. Since then, the military government has taken certain "confidence building" measures, releasing approximately 200 political prisoners and allowing some NLD offices to gradually reopen. At least 1,600 political prisoners remain behind bars, including 19 elected MP's, and Aung San Suu Kyi is still under house arrest. The U.N. Special Rapporteur for Burma, Paulo Pinheiro, in his report to the General Assembly last month, noted that "progress is fragile . . . one would hope that the confidence building would be followed by bolder moves" by the Burmese government.

We urge the administration, with strong bipartisan backing from Congress, to keep in place existing sanctions against the Burmese government while remaining flexible in order to respond to any significant positive developments; to support the International Labor Organization's efforts to end all forced labor and establish a monitoring presence inside Burma; and to use U.S. influence with Japan, the European Union, members of ASEAN, Australia and others to encourage them to maintain pressure for fundamental, basic human rights improvements and compliance with the recommendations of the U.N. General Assembly and U.N. Commission on Human Rights. We support humanitarian assistance given through NGOs and U.N. agencies, especially aid targeted for internally displaced and those suffering from HIV/AIDS.

Mr. LEACH. Well, thank you very much.

Let me say to the panel I have a large number of questions, and maybe because of this I am going to go last.

Let me begin with Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman.

Dr. Emmerson, you had indicated earlier the conflict between democratic right in a democracy and security, and that there should be some sense of compatibility. Especially with the events now occurring in Indonesia and its form of democracy, how stable do you think Indonesia's democracy is at this point in time?

Mr. EMMERSON. Well, it certainly is not institutionalized. Consider the range, the sheer variety and range and complexity of the problems that it faces. We haven't really talked much about the economic side, which is disastrous at the moment, 110 percent of GDP is what the public debt amounts to. I could go on.

The challenges are far greater than the capacity of these new institutions to respond to them. But I don't worry about the Vice President, who heads a large Islamic political party, somehow stag-

ing a parliamentary coup against the President, I also don't worry about a military coup at the moment.

I worry rather about the erosion of the government's credibility because of its inability to respond to those problems.

Mr. FALEOMAVAEGA. Now, economically the situation in Indonesia has gotten worse since Megawati took office. Do you sense her administration has provided stability by making every effort for economic recovery in that country?

Mr. EMMERSON. I wish I could be more optimistic than I am. The one bit of good news, I suppose, is that if you compare the GDP growth rates around the region, Indonesia actually looks pretty good, maybe 3.5 percent. But that strikes me as a dead cat bounce and actually tells us more about the rest of the region, including Singapore, which of course has had a disastrous economic shrinkage in its GDP, than it does about the health of the Indonesian economy.

If we take a look at progress on things like privatization, there has been very little, if any, such progress, on moving the properties through the IBRA system, which is attempt to try to finally get onto the market these failed holdings that are still hung over from the Asian financial crisis. There has been very little progress in that regard. We were optimistic that the so-called "dream team" that Megawati had appointed, including some very talented economists, including the former Indonesian Ambassador to the United States, would somehow make a difference, but the team seems to be dreaming. There is a very slight sense in Jakarta, it seems to me, that these problems are being addressed adequately.

Mr. FALEOMAVAEGA. Please, I want the other members of the panel to respond if they think that they can.

I was in East Timor a couple of months ago for the elections. The concern was expressed by Australia and others that the balkanization of Indonesia is about to take place because of atrocities, like what happened in East Timor. This is understandable when you consider the fact that some 200,000 East Timorese were tortured and murdered by the Indonesian military, in addition to some 100,000 West Papua New Guineans who were also murdered and tortured by the military. I am curious, Dr. Rabasa, since RAND seems to be pro-military. Am a correct in this?

Mr. RABASA. Sir, I would disagree. As a departing point in our analysis, the requirements for security and stability in the region, include democratization in Indonesia. By the way, I do believe and I think that is reflected in our work, that the stability of the entire region will hinge on whether the process of democratization that is going on in Indonesia today is successful or not.

When our work is viewed as pro-military, I think that that might reflect a view that we have that the Indonesian military, despite its many faults and problems, is a key institution in Indonesia.

Mr. FALEOMAVAEGA. We trained them for the past 30 or 40 years.

Mr. RABASA. We have not. We have suspended the IMET since 1992. They are not Boy Scouts. No question about it. But whether we like them or not, whether we approve or disapprove of their behavior, they will have a decisive impact on the future of Indonesia. And the future of Indonesia will, in turn, influence very vital American interests. So I think it would be in our interest to try to

shape and influence the behavior, the thinking, of the Indonesian military in a way that they will evolve in a way compatible with our values. And I do not believe that cutting them off, saying they cannot come here for education and training is a constructive way of achieving this goal.

Mr. FALEOMAVAEGA. I will wait for another round.

Mr. LEACH. I think in defense of Mr. Rabasa, he came from the Department of State. And RAND has sent the former Chairman to be Secretary of Defense.

Mr. Chabot.

Mr. CHABOT. Thank you, Mr. Chairman.

I would be interested to know from any of the panel members that might be interested in responding, I believe that a lot of terrorist groups around the country, and we talked principally about Islamic extremists in various countries, whether Philippines, Indonesia or you name it in this part of the world or anywhere else in the world for that matter, but since we are concentrating on this, let me focus here.

I don't think—I think they really viewed the United States as not wanting or not having the will to go out there and actually deal with people that probably needed to be dealt with long ago. My guess is that with respect to how the war has been carried out in Afghanistan it is probably got some people's attention that they may very well be next on the list. And we are not dealing with Somalia or Sudan here. So let's talk about the region of the world that we are discussing today.

Do you—what do you think, relative to a message that may be received, whether it is by the folks in the Philippines, who are now still holding two Americans, or whomever? I mean, do you believe that the United States has more credibility, and what would you recommend relative to encouraging the governments—there to be more stability and less Islamic fundamentalism and terrorism in that region of the world?

Perhaps, Doctor, if you might want to start off. But I would be happy to hear from anybody.

Mr. RABASA. Yes. I would like to also defer to some of my colleagues who have more expertise on the radical Islamic movements. And I believe Dr. Hefner has some views on that and how they changed after September 11th from embracing Osama bin Laden to trying to distance themselves.

My sense is that the success so far of the campaign in Afghanistan, the fact that we were able to bring about the dissolution of the Taliban government, that Osama bin Laden and his cohorts are fugitives, that this was accomplished without the massive civilian casualties that were predicted by critics of the United States, has enhanced significantly our credibility in the region.

And I am impressed by the fact that the large demonstrations that were taking place in Jakarta in front of the American Embassy after we began our military operations in Afghanistan have really gone down and that we do not see that level of intensity. And I think that this is reflective of the fact that because of the success of our operation in Afghanistan we are being taken much more seriously by radicals and extremists in the region, that if things had gone badly, if we had been unable to make progress

against the Taliban as it seemed in the 2 or 3 weeks that followed the beginning of our operations, that we would still be seeing much more massive opposition.

So success breeds success, and this I think is very important, because as Shakespeare mentioned, there is a tide in the affairs of men that if taken at the flood leads on to fortune. We have an opportunity here. There is a momentum that has built up that we can utilize to cooperate with regional governments against these radical and extremist movements in Southeast Asia. We are doing that in some ways with the government of the Philippines. I think that our security cooperation with the government of Macapagal-Arroyo against Abu Sayyaf—which is a very bad group of people—is good. It shows that we are on the side of the good guys.

I think we could replicate this with regard to other extremist movements in Southeast Asia.

Mr. JENDRZEJCZYK. If I could just add briefly two points. Just one note of caution, I think many Muslims in Indonesia of all kinds will be looking to see if the U.S. is as intense and committed to helping to reconstruct Afghanistan as it has been in conducting a war there. There was a lot of discontent, some of it expressed in demonstrations, much of it in other channels, about the level of force used in Afghanistan against a poor, decimated population.

And I think one way the U.S. can make it absolutely clear that its objectives have not been to punish the people of Afghanistan for what has been done by the Taliban and al-Qaeda is to make sure that the commitment Secretary Powell and others have made for a vigorous reconstruction effort, that that actually takes place, and that there is more funding provided even than has been suggested in legislation and in public statements thus far.

One thing I wanted to add, though, is again to raise a question about something that was stated by a couple of panelists, and that is the extent of Laskar Jihad's connections with al-Qaeda. It actually isn't that clear. I mean, in the Senate when the new U.S. Ambassador for Indonesia, Skip Boyce, was confirmed, he was asked this question for the record, and he was rather ambivalent in his answer, because I think at that point the intelligence was not there to support, without qualification, that there are clear and direct links.

More interestingly this week, the U.S. Embassy in Jakarta distributed a pamphlet listing 45 countries in which al-Qaeda is thought to be active, and Indonesia was not included. That may have been done for other public relations reasons that may not reflect the intelligence that is there at the moment, but I would just throw in that note of caution.

Mr. HEFNER. Two points very quickly, starting with your question first, Mr. Chabot. There has been a noticeable impact from the U.S. actions in Afghanistan on the hard line Islamist groups in Malaysia and Indonesia. Keep in mind that the demonstrations outside the U.S. Embassy in Jakarta were always smaller than they were in Malaysia. The reason for that had to do with the nature of the organization sponsoring them. The demonstrations in Malaysia were sponsored by the main opposition party, and the main opposition party, PAS, was attempting to use the issue of Afghanistan to discredit and corner Mahathir.

I think in the case of Malaysia the relative success of the American campaign will have a noticeably negative impact on PAS's ability to present itself as a responsible and moderate Islamic party. They, in short, have been discredited, as have their characterization of the U.S. campaign.

In Indonesia, the situation is a little more complex. As I said, the demonstrations were always smaller, but I don't think that was because of significant differences of sentiment in the Muslim community over the issue of Afghanistan. In fact, I think the fact that the demonstrations outside the embassy in Jakarta were led by groups that were perceived by the Indonesian Muslim public as relatively extremist actually contributed to their not attracting a lot of people. People didn't want to go out and demonstrate for fear of being identified with the FPI, the Islamic Defenders Front, or the Laskar Jihad.

Finally on this issue, it has been interesting to see that the Laskar Jihad has distanced itself very vigorously from Osama bin Laden in the last few weeks. It did not do so a year ago. It had contacts, certainly personal contacts with Osama bin Laden. Jafar Umar Thalib knows Osama bin Laden, and acknowledges that publically. According to the comments of some Indonesians, there may have been some coordination between the Laskar Jihad and al-Qaeda, but it has been limited to certain actions, certain very specific actions.

Most importantly, I think the fact that this American campaign, if you will, encouraged Laskar Jihad to distance itself from Osama bin Laden speaks not just to the success of the American campaign in general terms, but it illustrates the nature of, if you will, the Laskar Jihad's position in Indonesian. Even if the Laskar Jihad has ties to al-Qaeda those ties are not nearly so significant as the ties between the Laskar Jihad and major figures in the Indonesian political and military elite, particularly military retirees.

In another context I could describe in greater detail the way in which key business figures linked to President Suharto have since early 2000 provided extensive funds to the Laskar Jihad, far more significant than anything that we think is coming in from outside of Indonesia. So the effort—I end here—the reaction of the Laskar Jihad to distance itself from Osama bin Laden doesn't just reflect, if you will, the success of the U.S. campaign. It also reflects the realization on the part of that leadership that their identification with al-Qaeda risks, if you will, delegitimating them their position in the constellation that is a very factionalized constellation, of the Indonesian political and military elite.

Mr. CHABOT. Mr. Emmerson.

Mr. EMMERSON. A couple of really quick points here. It seems to me that there are two ways of approaching this general phenomena that has been raised by the question. One is in a narrow manner focusing on security in the literal sense; that is to say, a military response.

And the other way is to focus on it contextually, understanding that the phenomena that we might loosely organize under the rubric of Islamist terror, in fact have deep and complex local domestic roots in each of these countries, roots that are unique.

I am a partisan of the second approach, not of the first. This is not to ignore security, but to approach it contextually. One example that intrigues me from current American policy is the assistance program that USAID has launched for Mindanao, which I think is perhaps a model for what one might look at in other parts of Southeast Asia, depending upon how things develop in the future. This particular model is multivariant, it is not simply a military response.

It is true that we have advisers in the southern Philippines who are trying to help the Manila government handle its problem with Abu Sayyaf. But in the larger context, there is no single explanation. It is not fair to say that poverty is the cause of terrorism. Osama bin Laden, as far as I know, is not exactly poor—he may be poorer now than he was before, but he didn't sort of work his way up from the streets.

At the same time, when you have young Muslim men who have no chance for improving their lives, who have no jobs, then clearly the economy is something that simply cannot be forgotten in this focus on security.

We haven't talked a lot about the economy. But with regard to Indonesia, for example, steps to assist economic reform in that country, greater transparency and so forth, it seems to me will have an indirect beneficial effect on the possibilities of destabilization that terror represents.

The police are critical. Let me talk briefly about IMET. Should the United States reopen IMET with Indonesia? Unlike Mike, I am perhaps less worried about cultivating bad guys through IMET, especially if IMET is intended to focus on how a military adapts to a civilian democratic regime. Nevertheless, if we get into that kind of a controversial fight now, it seems to me it sends the wrong signal to Indonesia.

They have a police. The police has been separated from the military. It is at least ostensibly under civilian control. Now unfortunately the police is also corrupt, in some ways as corrupt as the military, and also capable of engaging in very brutal behavior. But it does seem to me that we should take this opportunity to try to channel assistance to the police; otherwise the Indonesians can look at us and say, look, on the one hand you condemn us for violating human rights, on the other hand you refuse to help us to try to improve the human rights situation. It seems to me the police deserve a major focus.

And one final point having to do with our own voice. We know that at the end of the Cold War people looked at USIA and said, who needs it? Basically it was collapsed into the State Department. We closed the consulate in Medan, as if we didn't need a consulate in Medan, which happens to be right near, and a window into, Aceh. It seems to me now it is vital that we reinvigorate American public diplomacy.

Depending on what happens to the campaign against al-Qaeda, there could be a lot that we will be interested in trying to explain to the Muslim world next year and the year after. I think we should get ready for that process by reopening channels of communication, not just between governments, but with the peoples of these parts of the world.

Mr. LEACH. Thank you very much.

Mr. Blumenauer.

Mr. BLUMENAUER. Thank you, Mr. Chairman.

I am sympathetic, Doctor, to your reference about the reinvigoration of some of our other elements. That is the question that I would like to pose to the panel. I have been struck in the course of our planning for the post Taliban era, the victory that appears to be within our grasp if we don't have it already, and the notion of what we are going to do to learn from past experience where we have been fighting people who have been given billions of dollars from the United States, and we sort of walked, at least prematurely.

I am concerned that in the vast sweep of this part of the world, where there are hundreds of millions of people, the projections are that we are going to be looking at a massive population increase. This will occur in particularly the urbanized core areas that are disorganized environmentally and throughout, the infrastructure—not just in areas that we bombed, but in city after city. These problems are contributing to a breeding ground for discontent, political instability, economic problems and human misery.

We have had the Secretary of State before us raising the notion that the aid that we provided for the urban and environmental problems of these countries was the equivalent of four cruise missiles, impacting tens of millions.

This is in Karachi to Cairo, Manila and Jakarta. I am curious if you have brief observations about what this Subcommittee, this Committee, this Congress, should be doing to try to focus on efforts to help improve the quality of life, and protect the environment in ways that aren't going to end up in somebody's Swiss bank account. We need to help in ways that are very, very hard to misinterpret when we are helping them get clean water, deal with sewage, deal with some of the most fundamental environmental and infrastructure issues.

Mr. JENDRZEJCZYK. I would just add one very brief comment. It is a real important issue that you have raised. I know in the case of Indonesia, when President Megawati was here, she met with the President of the World Bank, Jim Wolfenson and asked the bank to greatly accelerate its level of funding, I think now committed to 450 million this year, and asked them to double it to a billion dollars.

And the answer from the Bank, from my understanding, was we will give you the money when you have the capacity to use it in the ways that it is designed to be used. Until we see greater success in rooting out corruption, reforming the key agencies and ministries that are involved in disseminating and appropriating these funds and, more importantly, until you bring about fundamental reforms in your legal and judicial system we are not going to throw money in that may or may not result in the kinds of long-term reforms and poverty reduction that everyone in Indonesia wants to see.

I think that was exactly the right message. It is not, we are going to cut you off. I think half a billion dollars is a major commitment, one of the largest the Bank is making to any country, not just in Southeast Asia but in the world, but also to link that very

directly with a much more vigorous message to the Megawati administration to begin to deliver on some of the key promises that she had made and that we have seen very little traction on, as Don Emmerson and others on this panel have mentioned. I think that is exactly the right approach.

Mr. RABASA. Congressman, I think you raise a fundamental question: how do we deal not only with the manifestations of terrorism, but with the sources of terrorism? And I believe that you are right that to prevent this condition from developing, you have to have a delivery of jobs, services, and environmental protection to people. But before you have that, you have to have a functioning state, and I believe that one of the breeding grounds of terrorism is failed states.

Where do you find terrorism? In Afghanistan, a failed state. In Somalia. In parts of Colombia, which in some ways is a failing state. So the issue of the sources of terrorism, as you mentioned, is a very complex issue.

But before we can deal with these things that you mentioned, I think we have to help states function and consolidate their control in a way that they can deliver those services. And one of the things that concerns me about Indonesia, in fact the key problem that we have there, is that Indonesia could become balkanized. And if Indonesia fails as a state, if it becomes like Afghanistan or Yugoslavia, then you could have a multitude of chaotic entities——

Mr. BLUMENAUER. Doctor, my point is, we need to deal with helping people in these areas to have clean water, for example, to eliminate some of the 5½ million deaths caused each year by waterborne diseases. The United States has a role here. Doesn't that sort of transcend some of the problems that we are talking about in a way that people can actually relate to and that allows us to move past some of this, and not be at impasse?

Does our aid to troubled cities from Karachi to Cairo to Manila have to wait?

Mr. RABASA. No, you can do it at the same time. However, if you have a state that is not able to deliver services, international aid is limited in what it can do given the amounts of aid that we actually deliver. It really doesn't make that much of a dent in conditions in these countries. Southeast Asia before 1997 used to be a region of the world that was growing at the highest rates that any part of the world had experienced in a long time. If we can foster economic growth, if we can help to get their economies going, if we can help to restart the type of economic growth that they experienced before 1997, I think that will do much more.

Mr. BLUMENAUER. If there were brief comments from the other two speakers about this approach, I would like to hear them.

Mr. JENDRZEJCZYK. I was just going to say, to add to what I said earlier, that one of the other things I failed to mention is the Bank is also trying to target assistance to the regions of Indonesia where a lot of the civil conflict is happening to ensure the money is used there on the ground at the grass roots level rather than absorbed by these government bureaucracies in Jakarta.

Mr. EMMERSON. I am glad you said that, because it is important to keep in mind that in Indonesia, with the decentralization of power to the regions, it is no longer a satisfactory defense to say

that the central institutions are weak and therefore we cannot provide any assistance at all. It is entirely conceivable that at the level of particular cities one can bring together, for example, users of water in associations that can put pressure on public authorities to improve the delivery of clean water, just to give you one example. It is important, therefore, to get away from the idea that we have to put in money at the top of the system and hope that it trickles down.

There are a number of organizations, I think of the Asia Foundation for example, which derive a fair proportion of its budget from American public money, which operate in this local and decentralized way. There are nongovernmental organizations in Indonesia, many of them extremely active on environmental questions, and they have counterparts in the Philippines, in Thailand, in Malaysia that can be the recipients of assistance directly with some sense of monitoring how the funds are spent.

And then there is a structural answer to your question that may be particularly controversial for Congress, which has just adopted what used to be called "Fast Track" by one vote, if I am not mistaken—we will see what happens in the Senate. At the risk of triggering disagreement on the part of some in the room, let me suggest that if the United States were to make it easier for Indonesians to export textiles to this country, that would have a dramatic effect on employment of precisely the kind that you are interested in.

Mr. HEFNER. I really have nothing to add.

Mr. BLUMENAUER. Mr. Chairman, I appreciate your courtesy. I would like at some point to pursue with you and the Committee some specific recommendations we can make that would make a difference on the ground that don't get caught up in some of these issues. Notwithstanding the World Bank initiative, we have fallen short, I think in terms of what we have done in recent years in this Congress, and this might be an opportunity to make some corrections. And I appreciate your courtesy.

Mr. LEACH. Thank you. Yes, Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman. I would like to ask two questions. One would be on Vietnam and the second one would be on Indonesia, IMET, JCET and the issue of funding.

Mr. LEACH. We have gone a little longer on some of the speakers and you will be entitled.

Mr. SMITH. Thank you, Mr. Chairman.

First of all, let me just focus for a moment on Vietnam. The bilateral trade agreement has been passed by the House and the Senate. The Vietnamese Assembly has passed it as well, and I would just note they immediately issued a statement that there should be no linkage to human rights and specifically singled out legislation that I was a prime sponsor of, the Vietnam Human Rights Act that passed 410 to 1 on September 6th. The language in that bill is as clear and as doable and as modest when you talk about civil behavior as it can get. It also contains a waiver for the President, a two-part waiver, that is in the best interest of the United States, which is wide open. And secondly, it would advance the very purposes that we are promoting here, and that is human rights in Vietnam.

Mr. Jendrzejczyk, in your statement you mentioned that Vietnam's donor should press for significant progress in human rights. And as you pointed out, it was just a consultative conference of donors in Hanoi on December 7 and 8. And it has been my experience, and I would ask you to address it, that very often when donors meet human rights are not very high on the agenda, especially when it gets into specifics, Father Lee and Dick Qwon Do and others, who there may be an asterisk or some bullet points that are read by someone somewhere, but there is no real linkage and no real penalty if all of the above are ignored with impunity.

Our bill is being held up in the Senate. My hope is that we can get that moved. The Vietnamese have said—and again this just freezes our foreign aid, nonhumanitarian foreign aid at fiscal 2001 levels. So there won't be any more than that. It is as modest as it gets. And the Vietnamese are having a fit over that particular bill. They want unrestricted trade with the United States with no linkage to human rights.

We also call for the ending of the jamming of Radio Free Asia. If that isn't an unfriendly act, I don't know what is. And we want to help the nongovernmental organizations that are committed to nonviolence in Vietnam with grants and aid and that kind of thing, who want to bring about religious freedom and human rights in that country. It seems to me that the Vietnamese have a case of a severe bad attitude. The Deputy Foreign Minister is here right now. Hopefully he is getting a strong message from the Administration. But talk from all of us can be very cheap if we don't back it up with legislation.

Donors, do they raise this in a way that says, look, you are not getting the millions as promised or as advertised unless certain criteria are met. And we are a significant donor as a government. We do it through NGOs. But governments like the United States, really we are the lead. So if you could——

Mr. JENDRZEJCZYK. Just two answers to your questions. On the donor meeting, it is interesting the Vietnamese media in the last 3 days have been attacking Human Rights Watch for asking the donors just to bring up human rights. We were attacked again yesterday. And of course your bill, as you know, has become a target for contempt by Vietnamese officials.

So I think both of us kind of made the claim. As to what happened at the donor meeting, I am not sure. Governance was on the agenda. We saw the agenda in advance. We know that the European Union and the U.S. did make some references to anti-corruption initiatives, the rule of law and the need for respect for human rights. I think this came primarily from the European Union. As of yesterday I haven't seen the statement delivered by the U.S. Delegation. But I know at past donor meetings human rights have been raised repeatedly by a number of countries, and I think it has made an impact.

Mr. SMITH. And the Montagnards, and the cordoning off, as you pointed out, seems to be a high level group to go there. But you know——

Mr. JENDRZEJCZYK. To be honest, I don't know.

Mr. SMITH. Well, how you measure it then if you say we are doing fine?

Mr. JENDRZEJCZYK. Exactly. And I don't know to the extent that it is raised with that level of specificity. I am not aware of any linkage made, however, by any donors. So in any case that is a very brief response to your question. I certainly agree that continuing to press for fundamental human rights improvements should be part of the overall agenda for the entire international community if it is also seriously interested in economic reform and sustainable growth.

There are a handful of international NGOs operating in Vietnam. Some of them are doing very good work. And you are right, the U.S. should be assisting them. But as I suggested in my statement, I wouldn't also rule out some assistance for serious rule of law, judicial reform assistance going to others beyond NGOs if they address not just commercial law, but security laws, the press law, which has been tightened up most recently, and other major aspects of Vietnamese law that are not in compliance with its international human rights commitments. I think we should be proactive in that.

Mr. SMITH. The language of this legislation permits that funding if it were to advance the human rights. You know, what concerns me is the money we are talking about and the penalties would be automatic and probably severe if we are talking about intellectual property rights infringement. But when it comes to torture or holding people who because of their faith or their religious practice is contrary to the government, the full weight of the government's boot comes done upon their throat. And that is the deep concern that many of us have. Our hope is that the Senate will take this up and Senator Kerry from Massachusetts and others will lift their hold on this legislation. It does human rights an incredible disservice, in my view, to hold this up.

And any others who would like to respond to that, please do.

Mr. EMMERSON. I think that it is unfortunate for both the proponents of a market-based economic set of transactions that will promote prosperity and for the proponents of human rights to create situations in which these two appear to be contradictory. It seems to me that on the one hand advocates of human rights are going to be uncomfortable if, because they insist on what the Vietnamese are unwilling to provide, the United States does not respond to the kinds of problems that Mr. Blumenauer was mentioning in terms of clean water and reducing poverty, and educational opportunity, because there is a moral onus associated with Human Rights Watch or with Congress.

Conversely, on the other side, if we open up the doors, and corporations go in and take advantage of forced labor, then obviously there is a moral onus there.

So my point is simply this, apart from what the text of the legislation says, the critical question is what are you willing to create in the way of an order of priorities? For example, how important is it to get Radio Free Asia into Vietnam? If that is your most important priority, I suspect the Vietnamese are not going to budge. If on the other hand there are other priorities that have to do, for example, with marginal improvements, in the ability of labor to organize freely, that at least will move the situation forward, then it is a trade-off.

Now this blunts, I know, the moral fervor of the cause of human rights. But it seems to me we should not sacrifice effectiveness just for the feeling of satisfaction.

Mr. SMITH. There is none of that here. There are specific benchmarks named in the bill, substantial progress in the release of political prisoners. We are not even saying every single political prisoner on our list, but that would be the hope, but substantial progress at a time when people are being rounded up in some cases, particularly Montagnard people. It seems to me that they are going in the wrong direction and their insistence publicly and privately and their obstinacy would suggest to me that there is an extreme hard line of demarkation between human rights and—I mean they want an absolute severing of the two. And I would argue very strongly that the two do go hand and hand and add that our language says this is our foreign aid. We are not talking about humanitarian refugee assistance or humanitarian assistance of any kind. We are talking about nonhumanitarian foreign aid. And again the President could waive even that if he thought a rule of law program would advance the cause of human rights.

So it is a very calibrated response, and even that has brought on the ire of the Hanoi government and unfortunately their friends on the Senate to block this bill which passed 410 to 1. And I find that very, very disturbing.

If I do have time—otherwise I will come back.

Mr. LEACH. Why don't we go to Mr. Royce and then come back.

Mr. ROYCE. One of the questions I was going to bring up is that we talked about economic growth here. It seems to me that in these societies and maybe in our society, we don't understand exactly what the changes are that need to be made. Hernando De Soto in his best selling book, The Mystery of Capital, why it succeeds in the West and has failed everywhere else, lays out with respect to Indonesia sort of a template of what they didn't do, what they don't understand needs to be done in order to create the ability for title to be passed on property and to borrow against title and basically get an economy moving.

And I guess one of my questions is what can we do to make certain that it is worked like De Soto's work, which is not resisted in the way—I mean he is not a U.S. economist. He is a Third World economist, but he is acceptable in Indonesia and elsewhere. How do we get that information out there?

And then the second question then goes to the U.S. policies. Our policies are not being understood there. We tried various approaches, Radio Free Asia. I had a bill to expand that. Radio Free Afghanistan is something to try to talk to the Pashtuns. How do we reach Malaysia and Indonesia so they understand our policies and don't react negatively? Is it more cultural exchanges? Is it people to people exchanges? Is it radio, where we attempt to develop or craft a certain message? And I would like your thoughts on that.

Mr. HEFNER. If I could—actually both questions touch on a similar problem, Mr. Royce, and I am going to answer in a very focused way. I suspect some of the other speakers will present more general or comprehensive answers. But I think in both cases the failure of many Indonesians and many Southeast Asians, and Vietnamese included, to understand how you grow an economy as well

as the difficulty of communicating across cultures with Muslims and some other people, both of them I think could be addressed through a renewed commitment to educational exchange.

In another incarnation, 15 years ago, when I was working in Indonesia, I was associated and indeed I am still associated with a place called the Institute for the Study of Economic Culture, and one of the things that I was interested in in Malaysia and Indonesia, as they were at that point experiencing unprecedented rates of growth, one of the things I was interested in was whether those rates of growth were being accompanied by a true transformation in the understanding of how economies work, how the global economy works and how domestic economy works. And the thing that was so striking to me as I was doing this research in both countries was, first of all, the Malays had a much better sense of things. And I have to say that a shorthand answer as to why this was so is that there was a demonstration effect from the Chinese Malaysian community that was both profound and welcomed. It was one good quality of ethnic relations in Malaysia that Malays would listen to and learn from Chinese.

In the case of Indonesia this wasn't the case, and I think in fact, if anything, there was a legacy of bad economic thinking that wasn't just found in the populace and among, you know, sort of radical idealists on the left and on the right, but instead it was widespread even in circles among the elite. Many scholars have noted that one of the great failings of the Suharto regime is that he never provided a forum in which market-oriented economists could build a constituency and disseminate their ideas. Why? Because those ideas came with baggage. It isn't just markets. Markets require legal institutions, and Suharto felt threatened by the larger baggage that free markets require.

Mr. ROYCE. Rule of law.

Mr. HEFNER. I end just by saying, Mr. Royce, that there is a job to be done very specifically targeting programs of international education, not simply of the types of things we have done in the past, which are very good. Our educational programs in Indonesia have had a profound impact, perhaps unrecognized but very, very significant achievement of our foreign policy. But one area that does need to be additionally targeted is economic education of the political and religious elite, specifically the Muslim elite.

Mr. ROYCE. That was done in Poland, Czech Republic, and so forth, and it proved successful.

Mr. JENDRZEJCZYK. I would just add that a key problem, and the road maps that exist for this kind of reform, the problem is the political will to implement them. And one obstacle is the role of the army in the Indonesian economy and in key sectors of the economy and an interest that the military has that it is anxious to protect, and that is going to be a difficult knot to cut.

Mr. RABASA. I would say that you are absolutely right that there are these differences and that Indonesia today lacks legal institutions. If you look at Singapore, Singapore markets work fine. There is very little corruption in Singapore as far as I know and an American company can go and do business as long as it is within the legal framework of Singapore. They do not have to make payoffs to people. This is lacking in Indonesia. In Indonesia, there is no bank-

ruptcy law. This is why many insolvent companies have not been sold out to investors and put back into the economy. Contract law is unenforceable, and the judges are bribed. So the resumption of economic growth will require, in some way, the rebuilding of these institutions.

With regard to the Indonesian army and business, I have a chapter on this in my forthcoming book. I would only say that their businesses are as bankrupt as the others.

Mr. ROYCE. In closing, let me just say, The Mystery of Capital, I would recommend it because it has in it a strategy for getting the populace behind the reforms, you see, and thus challenging the institutions that exist there today, and it proved very successful in Peru. And he was the economic advisor in Mexico for President Fox, and again it proved successful.

So thank you very much.

Mr. LEACH. Mr. Smith?

Mr. SMITH. If I could, on Indonesia it would appear that Dr. Rabasa, you and Dr. Hefner have very different views on funding and/or resuming funding regarding IMET. Because of restrictions on IMET since 1992, there has been a lost decade. And Dr. Hefner, you point out that while—if the hard line Islamics and the armed force and bureaucracy have been discredited once and for all, however recent events show that over the past year these groups have staged a remarkable comeback.

For a number of years, the International Operations and Human Rights Committee, which I chaired, held a series of hearings on the problem of policing and military corruption in Indonesia. And matter of fact, Joseph Reece, who was here earlier, who was general counsel and staff director, and I went over there. And it was like 2 days after President Habibi assumed the leadership of the country with the fall of Suharto. But we had been very concerned and the hearings focused on—I may have been stomped but JCET wasn't. So we had another program in place and we were training Kopasus people, Kopasus personnel in sniper warfare, and at least we heard anecdotally—we never got as good as information that we would like—that during the riots there was a lot of urban guerilla warfare type tactics used. I asked the previous Administration time and time again who did we train and what was the outcome, who were they, where did they go? Were they ever indicted? We know that General Prabowo was indicted, who headed up Kopasus. We know that Secretary.

Cohen—I will never forget the picture in the Washington Post watching some Kopasus warrior putting scorpions on himself to show how tough he was. You know, this is the same guy who will take somebody in the back, as we heard from Pia Salutra Lanong, one of our witnesses who had been beaten in a military installation, blindfolded by what we believe were Kopasus personnel. I am very worried about resuming anything that even looks like collaboration with that kind of—President Megawati is certainly, I think, a good person, but how much control does she have? I remember meeting with our attache in our embassy, Joseph Banai, who asked him a series of questions about the training, the methodology, the keeping of records, and we only got redacted copies when we asked for who it was that we trained. And he said the human rights

groups have looked at our program and they think it is fine. I said name one human rights group. There was not a single one that he could offer up.

I say all this because past is sometimes prologue. We get real meaning military people, military attaches working on these programs in a country, and while they may talk human rights and the others may put on airs of hearing that message, we may have a situation like we have had so many times before where we train up a military and it becomes repressive, committed to torture.

So I am concerned about that. The JCET program was under most people's radar screen in terms of Congress and we couldn't get the information. I found it amazing. Some of the journalists tried to track it down and couldn't find out. It was like this secret program, and we still don't know to this day whether or not people who we trained were human rights violators.

Dr. Hefner.

Mr. HEFNER. There is a question of means and ends here that is very, very difficult to evaluate. Your ends is some sort of increase in effective governance in Indonesia and a governance that is based on the rule of law and simple civil decencies. And let us not even talk about full democratization, but just simple decencies. How one gets there is something on which I think people of good faith can disagree. My description of what I feel lies behind some of the interreligious violence, and the reason that it could drag on as it has for more than 3 years was really intended not to specify one particular sort of policy as regards our military programs or relations with the Indonesian military.

But let me back up just a bit and emphasize that it was designed to underscore that there is a very severe problem of governance in Indonesia right now. And the question is where do we get leverage? Where does anybody get leverage? And I think on this point people can disagree. The problem of governance is not unique to the military. We are seeing that contrary to much of our optimism about the capacity for civil societies, once they are let free, to redeem themselves and correct and moderate governance is fading. Civil societies can themselves be sources of incivility. And what we are seeing right now is that problems of governance in Indonesia are being complicated by the rise of these radically uncivil groups. And again, I emphasize we should not just identify Muslims as the culprits here or the extremist Muslims. There are killers from the Christian community as well.

The question then is how do we get some kind of leverage, some kind of control. And there, I think—I am not commenting on IMET specifically here, but I think some measure of dialogue with the political elite in its general sense, political elite that includes the military, needs to be reopened.

Mr. JENDRZEJCZYK. I am not opposed to such dialogue if it happens in a multilateral way, but I share your concerns, Mr. Smith, about doing it at senior levels now through IMET and other such programs. But I have to say the existing legislation, and you know this very well, doesn't prevent in fact the Pentagon and other agencies from engaging in a whole range of other activities with the Indonesian military, many of which have been underway even during the last few years. We have suggested for several years that the

GAO do a comprehensive study of every IMET graduate in Indonesia since the 1950s, when the program started. That is one way to find out is it really having any impact. I doubt it, only because the anecdotal evidence seems to indicate that without an end to this cycle of impunity no amount of training alone is going to bring about fundamental changes in practices or attitudes.

One small example of this is East Timor. Despite all of the international attention on East Timor, the handful of militia that were put on trial this week were not tried by Indonesian courts, they were tried by a U.N.-created tribunal. That only happened because of the pressure of IMET and a lot of other similar forms of leverage, diplomatic and economic, from around the world, from Japan and the EU as well as the U.S., but I think we have a long way to go before that translates to the kind of fundamental reforms in the Indonesian military. It is going to be a slow, difficult, uphill process, no question. But I do think we need to be careful what tools we use to try to engage in that process.

Mr. RABASA. If I have time, one quick response to this. The Kopasus people that you mentioned that were involved in the JCET's exercise were particularly a bad set of apples. I would mention, however, that the Indonesian military is in the process of transition, it is in fact in a process of profound transition in some ways. The military has a new doctrine, a new paradigm, that at least in theory is supposed to take out of internal security and into external defense as with most modern militaries. This is why the police were separated from the services, so the police could take care of internal security. Some members of the military are committed to getting out of the territorial system that links them to the towns and villages and is one of the sources of corruption and human rights violations that they have engaged in. However, the military has played, I think anyone would acknowledge, a constructive role in all of the transitions that have taken place since the fall of Suharto.

The military is not a monolith. It is a group that after the fall of the New Order, and after everything they were accustomed to changed, is looking for a new model and a new way of doing business, and I think, as I mentioned before, that we have an opportunity to engage at least the best of them and try to get them to move in the direction that we would want them to move. And they are going to do that, not because we forced them to and not because we are applying sanctions. As they have done at every stage of their evolution in the past, they will do it for Indonesian reasons, do it for institutional reasons, and do it for reasons of their own. And this is why they have done what they have done since the fall of Suharto.

So I think because of that it is best to engage them; if we could bring them the modern world—show them how we do business, try to instill some of our values, I think in the long run we will be better off—they will be better off than if we isolate them.

Mr. EMMERSON. Briefly, I favor the resuscitation of E–IMET. That is an IMET program that is focused on how this military should function in democratic civilian circumstances. I am, however, against resumption of IMET in the standard military sense of providing lethal equipment to an armed force that is increasingly

engaged in Aceh, and in Papua in what they consider to be the retention of their own national integrity. The violence in Aceh has been appalling this year and I don't think the United States should associate itself with it.

Mr. SMITH. Thank you.

Mr. LEACH. If I could just spin off a little bit on this discussion and say that I am not sure we fully understand the concept of leadership; that is, the theory of IMET in part is to go to leaders in society, in this case military leaders, educate them and then supply if that is appropriate. We are finding that leadership in many societies, including our own, isn't necessarily in places that are institutional. And so historically we have had exchange programs that have gone to other elements of society, but it is remarkable to me that we have probably overlooked the most critical at this particular time. And that is instead of bringing military leaders over here for high level, sophisticated training, maybe we ought to be teaching comparative religion to Mullahs. If they are going to be the leaders of these societies in ways that we have some doubts about, why shouldn't we be directly involved? And the case for Mullah leadership is perhaps greater than the case for military leadership training. I just throw that out. Is that a conceivable thought or——

Mr. HEFNER. If I may, since I am a friend of the Mullahs, it is not only conceivable, I think it would be welcomed particularly in Indonesia, but also Malaysia. Ulama like to hold themselves a little bit more askance, both to the government and to the West, than in Indonesia. There is in Indonesia, as I tried to say in my paper, a great struggle for the hearts and minds of the Muslim community and the majority of Muslims. This is not utopian romanticism. The majority of Indonesian Muslims are people who thirst for a country that is participatory, inclusive, pluralistic and democratic. Finding the practical terms—I mean the ideal is finding the practical terms for working a multireligious society in achieving a truly inclusive practice of citizenship is tricky. But it is something from which or to which—it is a task to which educational programs can make an enormous contribution because there are comparative lessons to be learned from other countries, Western and Muslim.

Mr. LEACH. I appreciate that. What strikes me is if we did do a targeted program I am not sure that we have a lot to add on the study of Islam, but we could request that those that are participants, that it be a two-way street and that the emphasis should be comparative religion with the hope that we may be learning from them and possibly passing on certain comparative values from our perspective.

Let me just turn in a little different way to the general nature of circumstances, not only in Southeast Asia but in many parts of the world, that governments are sometimes imperfect and then there are movements within societies that are imperfect. And yet there are peoples that are pawns and peoples that are the hearts of societies and the future of societies. Then how does the United States Government respond? And it strikes me we have often responded government to government in such ways that our nose is out of joint if we don't like a government. Our nose is out of joint if we don't like a movement within a society, and we then escape

the accountability and responsibilities to people. And one of the peculiar natures of the United States Congress is that we are the—to the degree there is one in America—we are the people's body. And I have often thought that our role as a Congress should be more directed to people-to-people relations and it is up to the executive to be accountable for executive-to-executive relations. And that therefore when in an earlier discussion someone mentioned the problem of AIDS, well, I think whenever relations with a government or movement in society, we ought to be concerned about disease assistance and somehow we ought to have policies that reflect that we can do that despite the government or despite the movements within the government.

Does that make sense to you? Is that a reasonable way of looking at the world and therefore that some of the prohibitions that we established because of our nose being out of joint, usually for good reason, against a government policy that we ought to have exceptions to these, for example, food and medicine? Is that a reasonable thing?

Mr. JENDRZEJCZYK. I certainly think so, Mr. Leach, and as a human rights organization, we are very careful about in any way cutting off humanitarian assistance. But we do want to help address some of the underlying societal problems that create the difficulties we are finding ourselves in now. But while endorsing that approach for the long term, I do think in the short term there are some very clear political signals that have to be sent.

For example, when the Indonesian Vice President meets with the head of Laskar Jihad after he has just been finally indicted for some of the violence that Laskar Jihad committed, that sends the wrong signal not only to the United States but, more importantly, to Christians and to Muslims in Indonesia who are watching the signals being given at the highest level.

So I guess I would also endorse your earlier comments about leadership, and to the extent that the U.S. can both encourage leadership at the political level where it is now so desperately needed in some of these problematic situations while engaging in the more long-term efforts that you also just mentioned, I think the two have to go hand in hand.

Mr. LEACH. You know we have a judgment call that appears to be a philosophical debate that has never exactly been articulated but is rather new in Washington, although there are parallels. That is what happens when you have an imperfect government, or let us make it a little bit different, an imperfect movement in an imperfect society. Should the United States be actively involved in military intervention? Are we better off, generally speaking, with economic and cultural engagements? And obviously, it is not always an either/or and that one has to reserve kind of on an ad hoc basis some judgments. But if you take in your own mind—and I don't want to relate it to a country because then you get into this great thing about threats and counter threats and whatever, but if you say the XYZ country and it has an activist al-Qaeda-related movement, should U.S. armed forces go in or would that be as deeply counterproductive an engagement as one could conceive? And I want to raise this in the abstract XYZ country because if Afghanistan is resolved in a credible way and in a credible time pe-

riod, might there be lessons that fit the rest of the world and those that people might think fit might not. And would any of you want to draw your own judgments on cautions for Washington today or encouragements for policymakers in this arena?

Let me start with you.

Mr. EMMERSON. I think it is an excellent question and it runs against the grain, I think, of the temptation, particularly here inside the Beltway, to overgeneralize from recent events. For example, the success of the American military-led campaign in Afghanistan, if it leads to the conclusion that military responses are appropriate in the conditions that you abstractly put forward, I think would be disastrous, absolutely disastrous. We remember what happened when we, as it were, left the scene prematurely. And if we do that again—I am talking about Afghanistan—and if we do it again, the socioeconomic problems that are at least indirectly and in complex ways related to terrorism will go untreated.

So I would resist across-the-board conclusions. We don't want a Vietnam syndrome. We don't want a Somali syndrome. There is also the Rwanda syndrome, as if we should have intervened, which clearly in some sense morally we should have, but that doesn't mean we ought to generalize that case around the world either. One must at some point get down to specifics, and the answer for Indonesia is not going to be the same as the answer for Pakistan or any other country.

Next year there will be a conference in Indonesia bringing Islamologists from the United States together with counterparts in Indonesia. There will be Ulamas present. And I hope—hopefully it won't end in rancor—that this kind of an experiment could well be duplicated in other ways. There are lots of specific proposals that one might suggest later when there is time.

Mr. LEACH. I appreciate that, and I want to go to Dr. Hefner. But the conference in Indonesia, should that deny that we ought to be seeking on standard USIA leadership kinds of exchanges for Mullahs to come to this country?

Mr. EMMERSON. The conference I mentioned is an initiative undertaken by academics. It has nothing to do with the U.S. Government or U.S. policy. But I do feel that under the guise of public diplomacy, which I think as I said should really be reinvigorated, there is a great deal that the U.S. Government can do to promote these kinds of exchanges.

Mr. LEACH. Dr. Hefner.

Mr. HEFNER. If I can back up a moment with a very brief comment, Mr. Chairman, about your international educational exchanges. You put the idea of comparative religious studies on the congressional agenda. Comparative religious studies, incidentally, in the Southeast Asian region among Muslims is actually fairly widespread. What isn't widespread and that which I think would have an equally salutory effect is social science education, including economics and democracy theory, liberal democracy theory in its classic sense. That is not what is taught in most schools of religious education. One sees, however, from a few religious schools in Indonesia and that the impact of social science education, targeted social science on good economic theory and democratic theory, has been profound.

Secondly, on the question of the generalized ability of a kind of Afghanistan model to country XYZ, I would hope that as we Americans and the Congress reflect on the lessons of Afghanistan, they recognize that it—while acknowledging extraordinary courage and accomplishment of our military, that the success also depended upon a very peculiar groundswell of support in Afghanistan society itself. The key to success here is that the Taliban was a fraud and most of the Afghan public knew that, that these were oppressors, these were people using the name of Islam and they were brutalizing the population. Therefore, there was a constituency, and a constituency that happened to have significant military experience, willing to move with the United States, willing to show great courage and sacrifice. I think that is a condition, not merely air power, that must be factored into any military assessment. All this said, one would hope as one moves to other countries one would look precisely at these broader social, cultural educational issues that you, Mr. Chairman, have emphasized.

Mr. RABASA. Mr. Chairman, you asked a question that people in policy and I am sure in the Congress have been asking for many, many years: Under what conditions should the United States employ military force? Specifically you mentioned this with regard to the existence of an al-Qaeda cell somewhere. I will go back to my remarks in response to Congressman Blumenauer's question, that in cases where there is no state to cooperate with, as in the case of Afghanistan, if we are to eliminate the cells—and it is precisely in these states that these organizations flourish, we do not have a choice if we decide that it is in the national interest to eliminate the cells but to go in ourselves, hopefully with the support of local forces. In other states and in every case that I am aware of in Southeast Asia there are governments in place that are willing to pick up the fight against terrorism, and I think we can rely on these governments with our support to do the job themselves, and I think it will be far, far preferable to any direct involvement of U.S. forces.

As you know, whenever we get involved in a conflict on the ground someplace else the consequences can be unpredictable. There is no telling what effects that type of intervention might have. In some cases that may be precisely what the terrorists want: to have us involved in order to build up support among the population against foreign invaders, especially from a different religion.

So I would hope that we can line up allies in the region who can pick up the direct task of facing these groups with our support. In some cases where state authority has disappeared, as in Afghanistan, and in the case of Somalia as well, we may not have any choice but to do it ourselves.

Mr. JENDRZEJCZYK. As a human rights organization we don't take a position for or against the use of force, say, in any situation, including XYZ. But what we do insist on of course is that international humanitarian law, the Geneva Accords, and so on, be fully respected if and when force is applied.

Mr. LEACH. Well, thank you, and let me just conclude with Dr. Hefner, related to the teaching of economics to religious people and visa versa. I might say that last year, the United States Congress moved in terms of debt relief using the biblical concept of Jubilee,

meaning every 50 years you wipe out debt. And by the biblical concept there was a church movement in America that created the political strength and allowed this to prevail, and so it was a very unusual phenomenon. And so you have a churchly doctrine brought to international economics. And you are suggesting maybe economics ought to be taught. Obviously economics got intertwined in religion at one time with some Marxism, particularly in the church in Latin America but around the world as well. But I think cross-cultural training may be appropriate. But that is a very interesting thought, although it might border on indoctrination, but if done at academic centers it might be a useful idea.

Let me thank you all very much. Your testimony has been very perceptive and laid a good basis for thought at this time. Thank you.

Meeting is adjourned.

[Whereupon, at 12:45 p.m., the Subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE EARL BLUMENAUER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. Chairman and Ranking Member Faleomavaega, I appreciate your organizing this hearing. Several of the countries we are examining today in the SE Asian region are majority Muslim, and global sensitivity to that fact is especially important in the wake of September 11. We are also reminded to consider what we can do as a nation to address the causes of growing poverty and social unrest that is increasingly concentrated in cities of the developing world.

Most Southeast Asian Muslims (who constitute majorities in Indonesia, Malaysia, and Brunei) traditionally have pursued moderate forms of Islam. But with the deepening regional recession and expanding contacts with foreign jihadists, we need to do all we can to ensure that the region does not become fertile ground for violent, anti-Western fundamentalism. In addition to various indigenous Islamist movements, there are indications of links between al Qaeda and groups in Indonesia, the Philippines, and perhaps elsewhere.

With 225 million inhabitants and over a million square miles of territory, Indonesia is the world's largest Muslim country. The five-month-old administration of President Megawati Sukarnoputri faces a number of continuing, critical problems, including: a stagnant economy; massive public debts; pervasive governmental corruption; the challenges of military and police reform; and ethnic, religious, and separatist violence that has led to the internal displacement of over one million people.

President Megawati initially condemned the September 11 attacks, but now, understandably fearing a backlash among Islamic groups, she has remained equivocal, at best, toward U.S. actions in Afghanistan. Indonesian security forces continue to wage a brutal offensive against separatist rebels in Aceh, which has claimed the lives of a disproportionate number of civilians. Similar unrest has plagued West Papua and the extremist Laskar Jihad organization continues to foment extensive violence against Christians in Maluku and Sulawesi, sometimes with the complicity of local security forces (and with the alleged assistance of outside groups such as al Qaeda).

I also want to briefly mention Vietnam. On November 28, the Vietnamese legislature ratified the U.S.-Vietnam Bilateral Trade Agreement (BTA) that we ratified in the U.S. Congress earlier this summer. The BTA will provide Normal Trade Relations (NTR) status to Vietnamese goods entering the U.S. market, and requires the dismantlement of certain trade barriers within Vietnam.

The BTA is expected to hasten Vietnam's transformation into a manufacturing- and export-based economy, and could double Vietnamese exports to the U.S. within a single year, according to World Bank estimates. It is a landmark step in the normalization of relations between the two countries and I appreciated the opportunity to assist in its ratification.

The cities of our world are already overwhelmed by human needs and economic instability. Today, 30 percent of urban residents throughout the world lack access to safe drinking water; 50 per cent do not have adequate sanitation facilities.

Waterborne diseases lead directly to the deaths of 5 to 12 million people each year. These conditions are getting worse by the day. Within the next 25 years, 2.5 billion more people will move to cities throughout the world; 95 percent of this movement will occur in developing nations. Here, the poverty, malnutrition, and chronic diseases of rural areas will become focused in new 'mega-cities' of 10–20 million people, creating an even greater strain on natural resources, human health, educational infrastructure, economic well-being—and the stability—of these nations and the entire world.

This dangerous trend has not gone unnoticed. In its Outlook 2015 Report, the CIA ranked rapid urbanization as one of its top seven security concerns. "The explosive growth of cities in the developing countries," the report concludes, "will test the capacity of governments to stimulate the investment required to generate jobs, and provide the services, infrastructure, and social supports necessary to sustain livable and stable environments. Cities will be sources of crime and instability as ethnic and religious differences exacerbate the competition for ever scarcer jobs and resources."

In the case of Indonesia, the continuation of the decentralization movement will begin to empower cities to solve their own problems. We do want to empower communities and give them a sense of ownership, but at the same time we do not want to end up with a number of small fiefdoms that disallow any comprehensive and regional planning or large-scale infrastructure projects. The cities need training but they want the responsibility.

The US Agency for International Development is supporting Indonesia's decentralization and I commend their work in that arena. In order to achieve success, support needs to be provided to local governments and pressure needs to be maintained so that control is not recentralized.

Right now, we are rightfully focussed on the reconstruction of Afghanistan. In the provision of development assistance there and elsewhere in the world, we must remain vigilant for opportunities that will allow us to lay the foundation for enabling cities to work so that they do not become breeding grounds for desperation.

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